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Reserve Bank of India

REPORT

ON

CURRENCY AND FINANCE

FOR THE YEAR

1955-56

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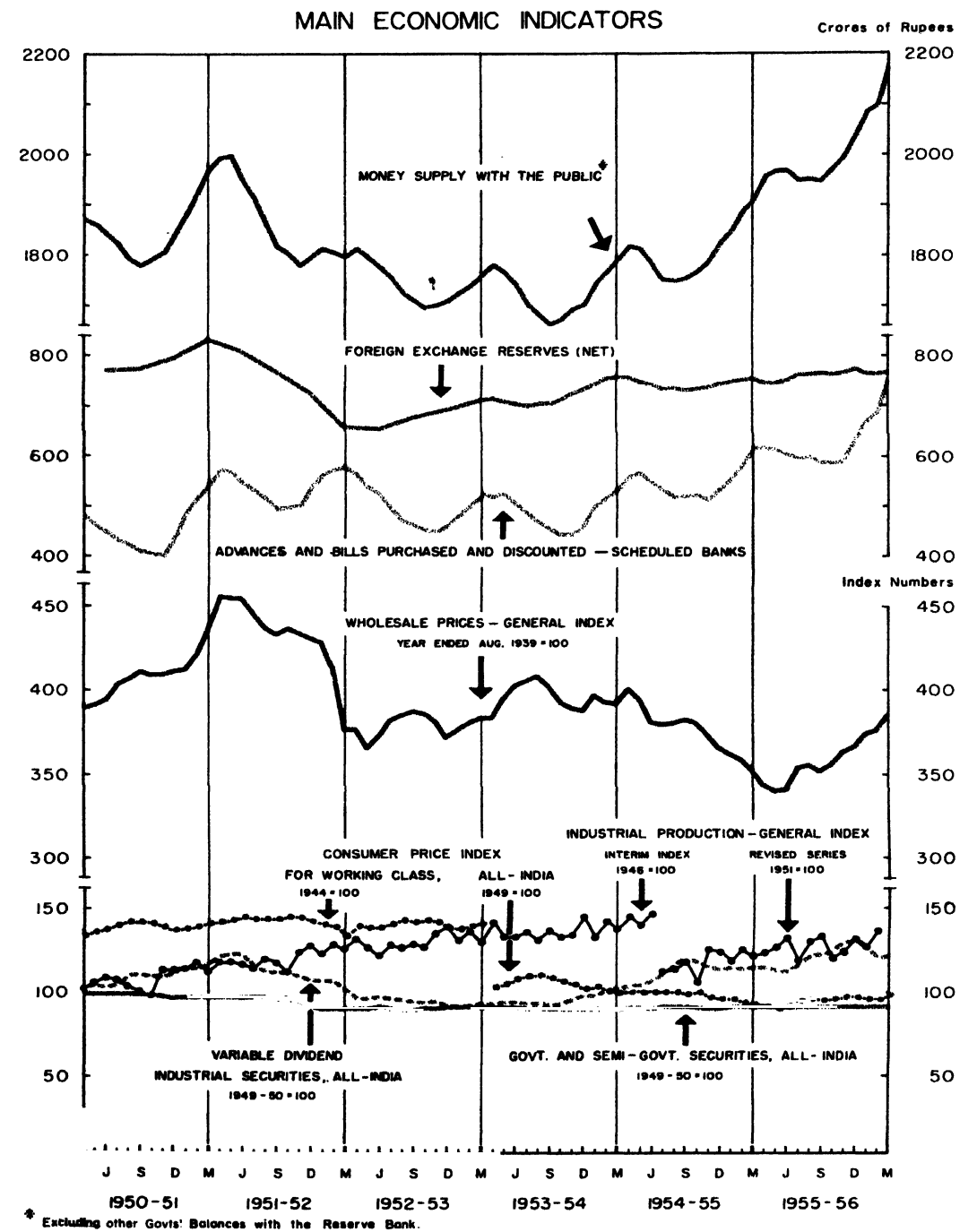
GRAPH 1



* Excluding other Govts' Balances with the Reserve Bank.

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INTRODUCTORY

The year 1955-56, which was the last year of the First Five Year Plan, witnessed an apparent acceleration of the pace of economic growth in India. The growth was marked in industrial production which recorded a rise of about 8 per cent during the year. In many industries, the targets fixed for the First Plan period were more than fulfilled. Overall agricultural production, however, is estimated to have been of about the same order as in the 1954-55 crop year, though in the case of rice the output is estimated to have been 4 per cent higher. The rate of investment in the public and private sectors would appear to have recorded a further rise during the year, and this was accompanied by an improvement in the flow of savings, including in particular small savings. Reflecting mainly the higher levels of production and domestic and foreign trade, there was a 22 per cent expansion of bank credit which, together with the budgetary deficit that was larger than in 1954-55 (though much smaller than earlier estimates), contributed mainly to a 14 per cent rise in money supply with the public. The capital market was buoyant during the greater part of the year, with a net rise of 6 per cent in share prices, reflecting the long-term prospects for substantial growth of industries as well as the sizeable increase in current industrial profits, which were aided by the fall in prices of agricultural commodities, a trend that appears now to have been reversed, at least for the time being. The gilt-edged market also ruled firm practically throughout the year, in spite of substantial Government borrowing and some net sales of securities by the Reserve Bank.

The accelerated tempo of investment and economic activity in general inevitably resulted in some strain on the economy, which was particularly noticeable in the latter half of the year and which was reflected in a rising trend of commodity prices and cost of living, contrary to the pattern of the previous year. While to a substantial extent the rise in commodity prices, which amounted to about 12 per cent over the year, was a correction of the rather sharp fall in the previous year, it also reflected the decline in output of some primary commodities and the rise in exports in particular of raw cotton and oils (and seeds), following better demand. Further, it would appear that the rise in prices was partly stimulated by the higher rate of investment outlay in the economy and rising consumption expenditure. Sporadic speculative and hoarding tendencies were, besides, in evidence, perhaps assisted to some extent by bank credit. India's external payments position was in a satisfactory shape at higher levels of trade, in view of the general buoyancy of the international economy resulting in better demand for certain Indian commodities. The current account surplus for the year is provisionally estimated at Rs. 21 crores as against a surplus of Rs. 8 crores in 1954-55; this is after taking into account the increase in receipts under official donations from Rs. 16 crores in 1954-55 to Rs. 46 crores.

The above economic trends in India may be seen against the background of developments abroad which provide some interesting parallels. The year under

review was one of the most prosperous the world has enjoyed, with all-round expansion in production, particularly industrial production, investment and personal consumption, associated with a world-wide boom of unique pattern and unequalled proportions. Unlike some earlier booms, the present boom is marked by an unusual rate of growth of consumption and investment relatively to resources. It was a year, therefore, of mounting inflationary pressures in many countries of the world, which led to the further and frequent use of monetary weapons. World agricultural output surpassed the high level attained in 1954. Industrial production in the world as a whole recorded a rise of 10 per cent in 1955, after a year of stable output in 1954 (*vide* Statement 1 and Graph 2). The rise was striking in Western Germany, United States, France, Canada and Japan, with increases of 14 per cent, 11 per cent, 10 per cent, 9 per cent and 8 per cent, respectively. In Sweden and the United Kingdom, the rise was somewhat smaller at about 5 per cent. As stated above, there was a marked increase in the rate of investment (in part on account of rearmament), which resulted in substantial growth of national incomes. In the United States, for instance, the gross national product at the beginning of 1956 was running at an annual rate of about $400 billion or 10 per cent above the average level of 1954. In most industrial countries, unemployment declined substantially and even gave way to a state of near-full or over-full employment, leading in some countries to new wage claims in excess of productivity increases. There was a significant rise of consumption expenditure, especially on durable goods and also of expenditure on house construction. Accompanying the higher levels of investment and production, there was also a tendency for the building up of inventories. Thus, in the United States, whereas in the third quarter of 1954 there had been an inventory *liquidation* at an annual rate of $5.4 billion, in the fourth quarter of 1955 there was inventory *accumulation* at the rate of $5.1 billion.

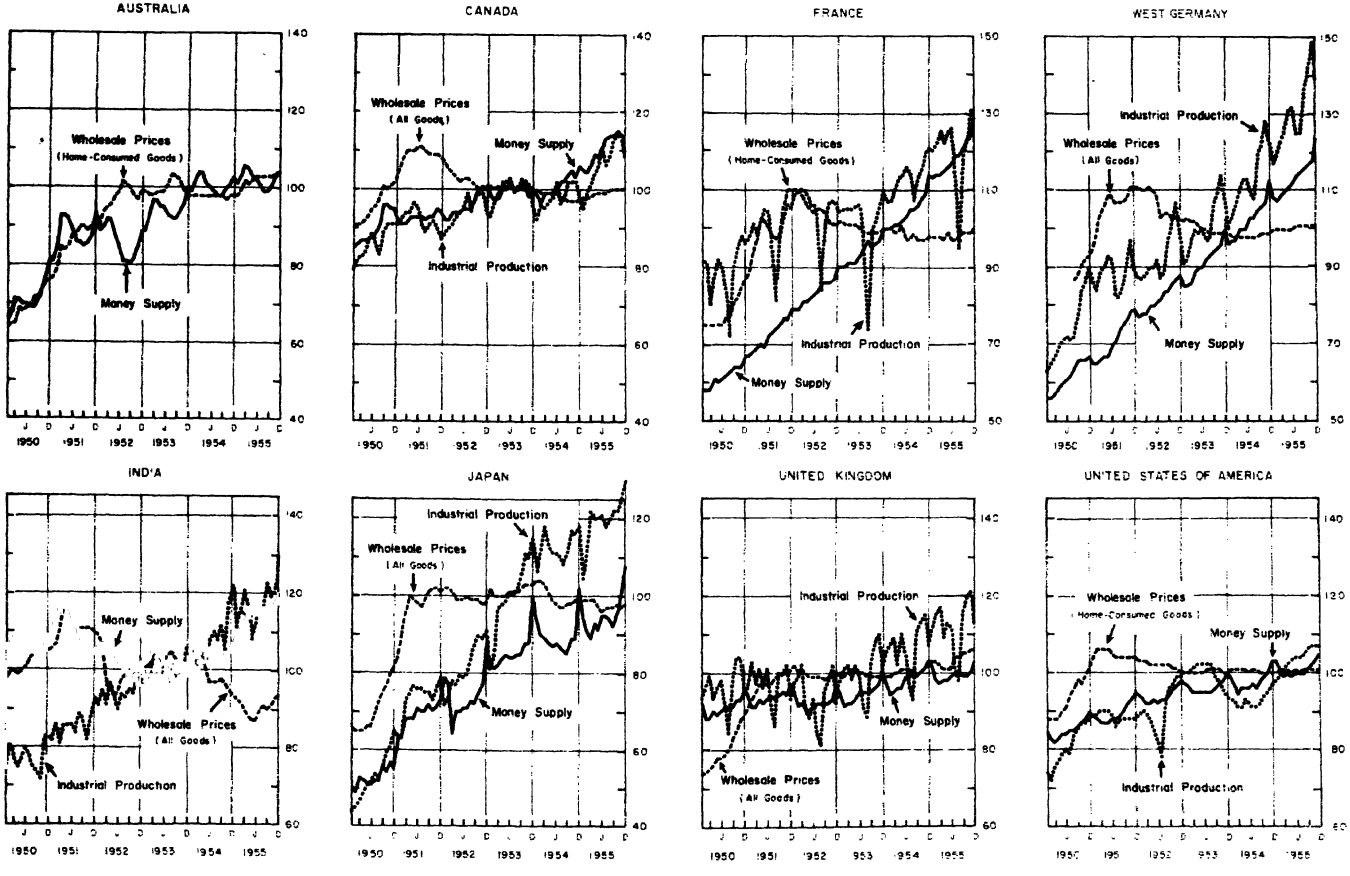
In several countries, reflecting the rise in production and consumption, bank credit recorded a substantial expansion. In the U.S.A., for instance, there was a 17 per cent expansion in 1955, while in the United Kingdom it was of about the same order in the first half of 1955, though in the second half there was about an equal decline, following the adoption of disinflationary measures. In Canada, the expansion was much larger, bank credit at the beginning of April 1956 being 26 per cent above a year earlier. These increases may be compared to the rise of 22 per cent in India during the year 1955-56. In some countries, particularly the U.S.A., the growth of consumer credit was phenomenal. The resources for the expansion of bank credit were found, as in India, through liquidation of Government security holdings and also much larger borrowing from the central bank.

Money supply recorded sizeable increases in many countries, though in some of the leading countries the rise was small (*vide* Statement 3). In the U.K. there was no net rise at all. In the U.S.A. and Canada the rise amounted to 2 per cent and 6 per cent, respectively. But in several European, Latin American and Asian countries

GRAPH 2

INDICES OF WHOLESALE PRICES, MONEY SUPPLY AND INDUSTRIAL PRODUCTION IN CERTAIN SELECTED COUNTRIES

Base:— 1953 = 100



Figures prior to July 1954 have been adjusted to the base 1953=100 by simple arithmetical conversion.

the rise was substantial. As compared with the rise during 1955-56 of about 14 per cent in India, the percentage rise in some other countries during 1955 was as follows: France, 14; Western Germany, 10; Italy, 10; Japan, 16; Mexico, 20; Pakistan, 18 and Chile, 70.

The extent and sources of inflationary pressure naturally varied from country to country, though there were some common features. In the leading countries, the rise in the general index of wholesale prices was relatively small, but the rise in the index of raw material prices was more marked In Canada, France, Western Germany, the U.K. and the U.S.A., for instance, the rise in the general index in 1955 was about 2 per cent only; but in France the index of raw material prices rose by 6 per cent and in the U.K. basic material prices rose by 7 per cent. In the U.S.A., farm prices declined substantially, while prices of non-farm products rose, particularly in the second half of the year. In India, during the calendar year 1955, there was hardly any net change in the wholesale price index; the trends in the first and second halves of the year were, however, different. In the financial year 1955-56, however, there was a substantial rise. The rise in the cost of living was particularly noticeable in the U.K. with a 6 per cent advance in 1955 (*vide* Statement 2). Share market trends also reflected the growth of the economy, the substantial rise in industrial profits and the emergence of inflation. The percentage rise of share prices was as high as 75 in Finland. In the U.S.A. the index recorded a rise of a little under 30 per cent over 1955, from 145 (1953 = 100) to 184. In the U.K. the index recorded a 15 per cent rise in the first half but in the second half the rise was about wiped out. Rises of 15-20 per cent were recorded in Belgium, Canada, Italy, Japan and the Netherlands. The comparable rise in the Indian index was about 15 per cent (20 per cent in the manufactures group) in 1955; over the fiscal year 1955-56 the rise was only 6 per cent. The resurgence of inflation led in some countries to balance of payments difficulties, which were most marked in the case of the U.K. In fact, the U.K.'s deficit with the rest of the sterling area mainly contributed to the sterling area's heavy loss of $642 million in gold and dollar reserves in 1955, as against a gain of $244 million in 1954. U.K. imports increased by £515 million or 15 per cent in 1955, the bulk of which was from the dollar area and the Continental Western Europe; the rise was the result of excessive home demand for industrial raw materials and semi-finished goods in particular. The weakening of sterling also led to an outflow of short-term capital from the U.K. for some time. Other countries which experienced balance of payments difficulties, though to a smaller extent, included Australia, New Zealand, Turkey and Canada. The financial position of countries depending on exports of agricultural commodities, like Colombia, Burma, Egypt, Chile and Brazil, also weakened, as a result of a fall in the prices of their principal exports such as coffee, cocoa, rice and cotton. India's balance of payments position, as already stated, was satisfactory.

In spite of the weakening in the payments position of some countries, the trend towards relaxation of trade and payments restrictions was continued during 1955,

though progress in this direction was more gradual than in either of the two preceding years. Discriminatory restrictions on dollar imports were relaxed or virtually removed, particularly in the O.E.E.C. countries. Free international markets for a number of commodities were restored in the U.K. and the Netherlands.

The volume of world trade, in the result, increased by about 10 per cent over 1954 to reach a new post-war peak. As regards foreign exchange reserves, the additions to gold and foreign exchange reserves of the world, excluding the United States and the Soviet Bloc countries, were appreciably smaller at $891 million during 1955 as compared to $1,848 million during 1954. There were significant increases in the reserves of France, Western Germany, Belgium, Mexico and Japan of $751 million, $438 million, $100 million, $234 million and $316 million, respectively, in contrast to the sharp declines in the reserves of the U.K. (of $648 million) and Australia (of $304 million). The reserves of some countries of Asia and Latin America like Thailand, Chile and Cuba registered small increases, while those of New Zealand, South Africa, Austria and Switzerland decreased slightly.

Through their transactions with the U.S.A. the total gold and dollar assets of the rest of the world continued to increase during 1955, though the addition to their reserves during the year ($1.50 billion) was somewhat smaller than that ($1.76 billion) in 1954, mainly on account of a reduction of 31.5 per cent in the U.S. military grants and a drop of 41.5 per cent in the outflow of U.S. private capital. The rise in these reserves was, however, unevenly distributed and was mostly concentrated in the Continental Western European countries, in particular France and Western Germany, some of the non-sterling countries of Asia (Japan and Indonesia) and a few Latin American Republics. Reference has already been made to the decline of $642 million in the gold and dollar reserves of the sterling area, which fell in consequence to $2120 million. There was during the year a widening of the world dollar gap by about $1 billion. The United States current account surplus (excluding all military transactions) showed a slight increase from $4.3 billion during 1954 to $4.6 billion during 1955, with both trade and invisibles contributing to it. Further, the outflow of U.S. private capital and private remittances abroad recorded a decline of $662 million from $2073 million in 1954 to $1411 million.

Turning now to the measures taken to arrest inflationary pressures, several countries had widespread recourse to monetary restraint, in contrast to the pursuit of relatively easy money policies during the greater part of 1954. Fiscal measures were also adopted to meet the situation, but there was hardly any resort to direct controls over the economy. The monetary restraint mostly took the form of a rise in the discount rate of the central banks, reinforced by appropriate open market policies. In 1955, as many as 14 countries raised the discount rate, some of them, namely, Canada, the U.S.A., New Zealand, the U.K. and Austria resorting to the device more than once. Particularly significant was the resort to monetary discipline by Norway and Sweden which had for many years relied on central planning and

direct controls. In 1956 there has been a further round of discount rate rises, to the highest levels in the last 25 to 30 years. Some of the present discount rates are 7 per cent in New Zealand, 5½ per cent in the U.K. and Western Germany and 6½ per cent in Finland. In Chile and Colombia, the discount rate varies with the amount of borrowing of a bank from the central bank.

Changes in Central Bank Discount Rates

Country	Date of Change	Discount Rate Before Change %	Discount Rate After Change %	Difference %
Austria	May 20, 1955	3.50	4.50	+ 1.00
	November 17, 1955	4.50	5.00	+ 0.50
Belgium	August 4, 1955	2.75	3.00	+ 0.25
Brazil	May 1955	8.00	6.00	— 2.00
Canada	February 14, 1955	2.00	1.50	— 0.50
	August 5, ,,	1.50	2.00	+ 0.50
	October 12, ,,	2.00	2.25	+ 0.25
	November 18, ,,	2.25	2.75	+ 0.50
	April 5, 1956	2.75	3.00	+ 0.25
Denmark	May 25, 1955	5.00	5.50	+ 0.50
Finland	April 19, 1956	5.00	6.50	+ 1.50
Germany (Western)	August 4, 1955	3.00	3.50	+ 0.50
	March 7, 1956	3.50	4.50	+ 1.00
	May 19, ,,	4.50	5.50	+ 1.00
Greece	January 1, ,,	10.00	9.00	— 1.00
Ireland	December 19, 1955	3.00	4.00	+ 1.00
Japan	August 10, ,,	5.84	7.30	+ 1.46
Netherlands	February 7, 1956	2.50	3.00	+ 0.50
New Zealand	July 1, 1955	4.00	5.00	+ 1.00
	September 5, ,,	5.00	6.00	+ 1.00
	October 19, ,,	6.00	7.00	+ 1.00
Norway	February 14, ,,	2.50	3.50	+ 1.00
Sweden	April 19, ,,	2.75	3.75	+ 1.00
Turkey	June 28, ,,	3.00	4.50	+ 1.50
	June 6, 1956	4.50	6.00	+ 1.50
Union of South Africa	September 29, 1955	4.00	4.50	+ 0.50
U. K.	January 28, ,,	3.00	3.50	+ 0.50
	February 23, ,,	3.50	4.50	+ 1.00
	February 16, 1956	4.50	5.50	+ 1.00
U. S. A.*	April 15, 1955	1.50	1.75	+ 0.25
	August 5, ,,	1.75	2.00	+ 0.25
	September 9, ,,	2.00	2.25	+ 0.25
	November 17, ,,	2.25	2.50	+ 0.25
	April 13, 1956	2.50	2.75	+ 0.25

* The Discount Rate of the Federal Reserve Bank of New York.

In several countries, the central banks made use of the power to vary the reserve requirements of commercial banks. In New Zealand, for instance, reserve requirements were raised five times since June 1955 to a level of 26 per cent against demand liabilities, alongside a high discount rate of 7 per cent. In Peru, towards the close of 1955, supplementary reserve requirements against increases in demand and time liabilities above the level of November 30, 1955 were set at 70 and 35 per cent, respectively. There has been a steady increase in the number of countries establishing a system of variable cash reserve ratios for commercial banks.

Governments and central banks have also attempted to restrain commercial banks from excessive extension of credit, through 'directives', 'requests' and 'voluntary' agreements. The directives and requests have sometimes preceded the resort to the usual monetary weapons and sometimes supplemented them. Thus in the U.K., in July 1955, the Chancellor of the Exchequer 'requested' the Governor of the Bank of England to urge upon the banks a 'positive and significant reduction' in bank advances; this was interpreted by bankers to mean a 10 per cent reduction. 'Requests' and 'voluntary' agreements were also tried, with limited success on the whole, in Australia, Canada, the Netherlands, Norway and Sweden.

Selective credit controls were also resorted to in more than one country. In the United States, for instance, margin requirements in respect of transactions in stocks and shares were raised in 1955 twice, 10 per cent each time, from 50 per cent to 70 per cent. In that country, the terms of real estate credit were also tightened in July 1955 through an increase in the down payment and a shortening of the repayment period. At about the same time, in the U.K., there was a tightening of hire purchase credit restrictions which had been imposed earlier in February; there was further tightening in February 1956. An important type of selective credit control that has been employed in some countries is the requirement that importers deposit with the authorities, in advance of their purchase of foreign exchange, a part of the local currency equivalent of their imports, the proportion generally varying with the category of goods imported. Sometimes, the deposit is frozen for a minimum period. This measure is intended to discourage non-essential imports and also to restrict the availability of credit for import financing generally. Such a system prevails in Peru, Ecuador, Colombia, Finland, Israel and Indonesia. In Finland, for instance, this system was introduced in July 1955, whereby an importer was required to deposit with the Bank of Finland 10 per cent of the *c.i.f.* value of the amount specified in the import licence. The deposit was to be repaid when the licence was used or expired, but it was to remain frozen for a minimum period of 3 months. In April 1956, the compulsory deposit was raised to 20 per cent; however, the maximum period for which the deposit was to be frozen was reduced from 12 to 6 months.

The fiscal measures which were pressed into use, particularly in the United Kingdom, included additional taxation, withdrawal or reduction of earlier tax concessions to stimulate investment through special depreciation allowances etc., reduction in Government expenditure, including the withdrawal of food and other subsidies, a cut in public investment and provision of incentives to stimulate saving.

Excessive private investment was sought to be restrained through the tightening of capital issues control.

These measures have attained some success, the extent of which has varied from country to country. In the U.K., for instance, there has been a steady improvement in the balance of payments position and the domestic credit situation has also improved but the overall improvement is still regarded as inadequate. The fact that, in some countries, resort to the monetary weapon has been had repeatedly in the course of a comparatively short period indicates the magnitude of the inflationary problem as well as the limitations of monetary policy alone in achieving economic stability. A significant feature of recent monetary policy has been that in more than one country measures of monetary discipline have been applied at the first signs of imbalance, as a precautionary measure. That is to say, in a few countries, the preference seems to have been for early and adequate action to 'too late and too little'. While this approach has produced some criticism even from Government quarters, on the whole, prompt if sometimes premature action, it would appear, is regarded as likely to prove less harmful in the long run than monetary imbalance.

From the above brief review of economic developments abroad, it will be seen that in India there was, relatively speaking, a substantial measure of stability during the year under review. This stability will be seen even in better perspective when stock is taken of the progress during the period of the First Five Year Plan. The trends in the main economic indicators during this period are as under: 18 per cent rise in national income, 25-30 per cent rise in industrial production, about 20 per cent rise in agricultural output, a 10 per cent rise in money supply with the public, a 13 per cent decline in wholesale prices and a 5 per cent decline in the working class cost of living index. Budgetary deficit of the Centre and States together was around Rs. 400 crores. As against this, there was also a modest balance of payments deficit resulting in a decline of Rs. 121 crores in foreign exchange reserves. During this period, many direct economic controls, in particular concerning the prices and distribution of foodgrains and cloth, were removed by stages. The disinflationary but flexible monetary policy adopted in mid-November 1951 contributed in some measure to the establishment of stability in the economy.

However, as mentioned earlier, towards the close of 1955-56, some symptoms of inflation were noticeable. These require careful watching, especially in view of the much larger magnitude of the developmental effort that has to be put in for the Second Five Year Plan. The proposed total developmental outlay of the Central and State Governments over the five years of the Second Plan is Rs. 4800 crores, which is much more than twice the estimated outlay of a little under Rs. 2000 crores during the First Plan period.* The estimated gap in resources is Rs. 1600 crores, of which Rs. 1200 crores is envisaged to be covered by deficit financing. It is of the utmost importance that the considerable inflationary potential of the above order of development expenditure in the public sector (along with substantial investment in the private sector, estimated at Rs. 2400 crores) and deficit financing should be

* A Summary of the Second Five Year Plan is given in Appendix I.

held in restraint. In this task, fiscal and monetary policies will have to play an increasingly important role. As regards the latter, the Reserve Bank has already many instruments of regulation, general as well as selective, under the Reserve Bank of India Act and the Banking Companies Act. Since mid-November 1951, when the Bank rate was raised and the open market operations policy revised, there has been so far no need to apply any significant fresh measure of monetary discipline. However, from March 1, 1956, the Bank raised its lending rate under the Bill Market Scheme from 3 per cent (i.e. ½ per cent below Bank rate) to 3¼ per cent (i.e. ¼ per cent below Bank rate) and in mid-May 1956, the Reserve Bank initiated action to restrain banks from excessive lending against commodities. On May 17, 1956 the Bank issued a directive to all scheduled banks to restrict advances against paddy and rice, since these advances had shown a rise of over 100 per cent in the course of a year. With a view to strengthening the Reserve Bank's armoury of instruments of credit control, legislation has now been introduced* to give the Bank the power to vary the statutory cash reserves which the scheduled banks have to maintain with the Reserve Bank, in place of the present system of fixed reserves. This will enable the Bank to restrain multiple credit expansion by banks on the basis of large additions to their reserves, likely to emerge from the large-scale deficit financing in the public sector envisaged under the Second Plan. In place of the existing fixed reserve requirements of 5 per cent against demand liabilities and 2 per cent against time liabilities, the Bill provides for a variable ratio between a minimum of 5 per cent and a maximum of 20 per cent against demand liabilities, the corresponding limits in the case of time liabilities being 2 per cent and 8 per cent.

In the task of bringing about rapid economic development with financial stability, the Bank has also been playing a positive role to ensure that an adequate supply of credit is forthcoming to match the growing requirements of industry, agriculture and trade. The Bank has taken an active hand in the building up and strengthening of financial institutions needed for the diversified growth of the economy. It has given particular attention to the rehabilitation and development of the machinery of rural credit; in this connection, the recommendations of the Committee of Direction of the All India Rural Credit Survey are being implemented expeditiously.

The Chapters that follow review in detail the trends during 1955-56 of the various aspects of the Indian economy, internal and external. Reference has also been made, wherever necessary, to institutional and legislative developments in the various sectors of the country's economy. Since the year under review is the last year of the First Plan, a brief review of trends and developments during the five year period has also been attempted at appropriate places.

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* *Vide* the Reserve Bank of India (Amendment) Bill, 1956.

II. PRODUCTION

Agricultural Production

The record level of agricultural production reached in 1953-54 was more or less maintained during 1954-55, despite vagaries of nature which adversely affected several crops. The index number of agricultural production, which had risen to 114 in 1953-54 (1949-50 = 100), remained at that level during 1954-55 and was 19 per cent higher than in 1950-51 (*vide* Statement 13). Though the production of foodgrains (cereals and pulses) in 1954-55 was lower than in the previous year by about 3 million tons, it exceeded the Plan target of 61.6 million tons by about 4 million tons; this also indicates, however, a possible under-estimation in the Plan target of growth in the demand for food. Compared to 1949-50 (base year adopted for the First Plan), the output of foodgrains in 1954-55 was higher by about 12 million tons. Among commercial crops, raw cotton and oilseeds showed significant increases in output.

Agricultural production in 1955-56 appears to be generally satisfactory despite floods, cyclones, etc., in certain parts of the country. Final estimates of production for the current year in respect of certain cereals *viz.*, rice, wheat, jowar, bajra, maize and ragi and preliminary estimates in respect of small millets indicate that, although the production of coarse grains may be lower, the position in respect of rice and wheat will be satisfactory. The production of rice, placed at 25.5 million tons in the final estimate for 1955-56, represents an increase of 3.8 per cent over the partially revised estimate for 1954-55. Among commercial crops, the output of jute in 1955-56, estimated at 41.4 lakh bales, has turned out to be much better than in the preceding two seasons, when production was around 30 lakh bales. But cotton production shows a fall of 5.4 per cent. Similarly, production of oilseeds is likely to be lower in view of the fall in production of groundnuts and sesamum (7.8 per cent and 22.2 per cent, respectively, according to the final estimates). The prospects for other crops are, however, encouraging.

Production of Agricultural Commodities, 1954-55

	Production targets under the First Five Year Plan		1954-55		
	Target for 1955-56	*Percentage increase over 1950-51* (base year)*	Production	*Percentage increase (+) or decrease (—) over the base year*	*Percentage increase (+) or decrease (—) over 1953-54*
Foodgrains (million tons) ..	61.6	*14*	65.80	*+21.7*	*— 4.2*
Sugarcane† (million tons) ..	6.3	*12*	5.55	*— 1.2*	*+25.4*
Oilseeds (million tons) ..	5.5	*8*	5.88	*+15.8*	*+11.2*
Cotton (lakh bales)	42.3	*45*	42.27	*+45.3*	*+ 7.2*
Jute (lakh bales)	53.9	*64*	29.28	*—10.8*	*— 5.3*

* For foodgrains the base year is 1949-50. † In terms of raw sugar.

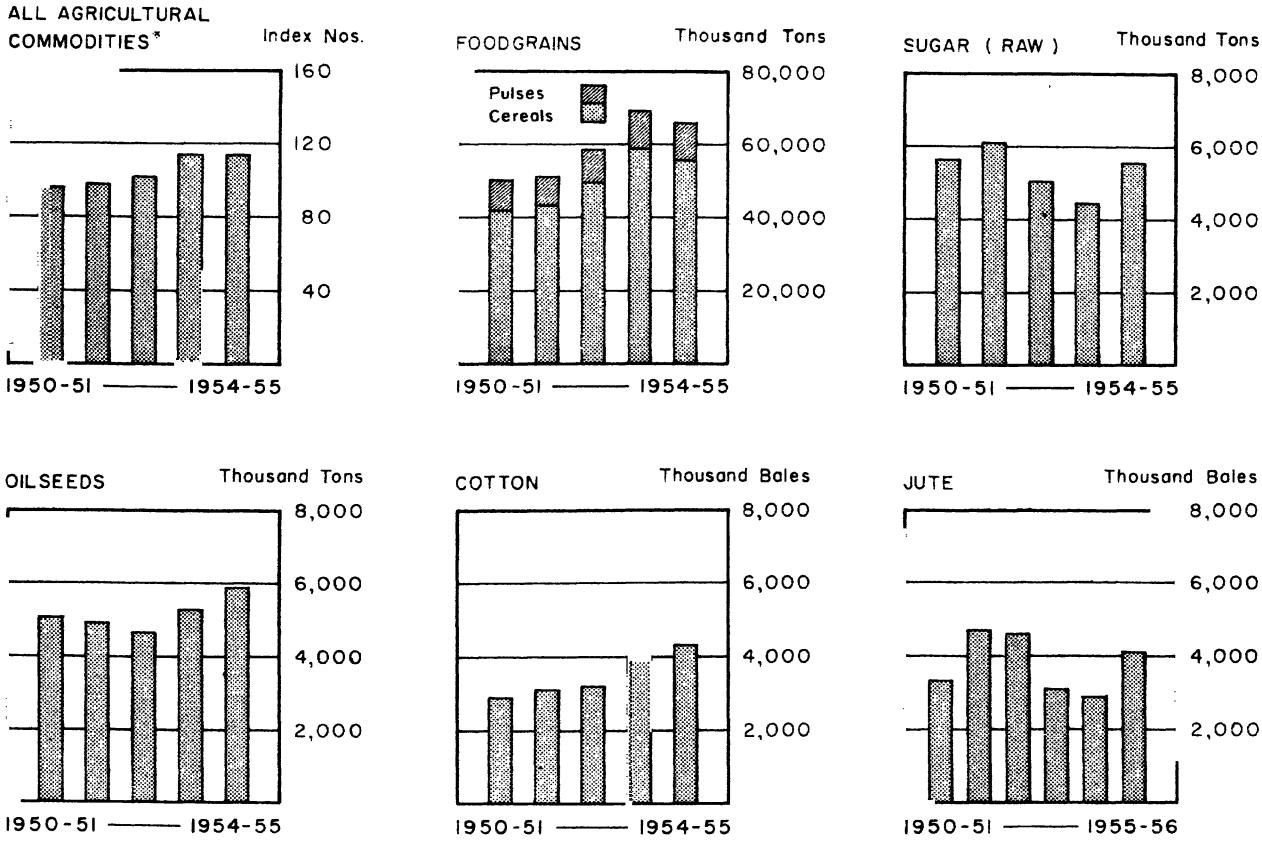
(1) *Foodgrains.*—The fall in the production of foodgrains (cereals and pulses) during 1954-55 from the previous year's level was mainly accounted for by a decline in the output of cereals from 58.3 million tons to 55.3 million tons (*vide* Statement 14). This was, in its turn, due mainly to a decline in rice production from 27.8 million tons to 24.2 million tons on account of adverse weather conditions. Other cereals that recorded declines were bajra, maize, ragi, barley and small millets whose total output fell from 14.7 million tons to 13.5 million tons. These declines were, however, partly offset by rises in the production of wheat and jowar, by 0.6 million tons and 1.1 million tons, respectively.

With the progressive improvement achieved in the agricultural economy, there was no slackening in Government efforts directed towards augmenting agricultural production. The schemes for increasing the food production in the country under the Grow More Food programme were, therefore, continued during 1955-56. As against Rs. 35.51 crores allotted in 1954-55 for financial assistance to the States for their G.M.F. schemes, an allotment of Rs. 35.72 crores was made during the year under review by the Central Government. Out of this, 88 per cent was set apart to be given as loans and the balance as subsidies. As in the previous year, a sum of Rs. 10 crores was also sanctioned for advancing short-term loans to the States for the purchase and distribution of fertilisers and seeds. The supply of ammonium sulphate from the central fertilisers pool was continued during the year. Consumption of fertilisers during the year, estimated at 6 lakh tons, showed an increase of about 1 lakh tons over 1954 and about 3 lakh tons over 1952. The attempts at popularisation and extension of the Japanese method of rice cultivation took a concrete shape in 1954-55, with the setting up of definite targets for each State. As against the all-India target of 2 million acres, about 1.32 million acres were brought under this method of cultivation, resulting thereby in an estimated increase in output of 7.45 lakh tons of paddy. This success has encouraged the Government to upgrade the target for 1955-56, tentatively to 3.7 million acres.

While the overall food position remained satisfactory during the year, scarcity conditions prevailed in certain parts of Bombay, Rajasthan, Madras, Bihar and Orissa. The States of Assam, West Bengal, U.P., Delhi and Punjab were affected by floods, while certain coastal districts of Madras suffered on account of cyclone. Appropriate relief measures were undertaken by the Centre and the concerned State Governments. Allotments from the Central food stocks amounted to 21,700 tons of foodgrains free of cost and 96,600 tons at concessional rates for distribution in these areas.

(2) *Other Agricultural Products.*—(*a*) *Cotton:* Measures adopted under the Cotton Extension Schemes of the Government of India introduced in 1950-51 such as extension of irrigation facilities to cotton growers, grant of loans to the cotton-growing

PRODUCTION OF PRINCIPAL AGRICULTURAL COMMODITIES IN INDIA



* Base: Agri. Year 1949-50 = 100. The indices for 1953-54 are based on the partially revised estimate and those for 1954-55 are based on the final estimate and are therefore subject to revision.

Source: Agricultural Situation in India - September 1955.

States for the purchase of improved seeds and fertilisers, subsidy on cotton seeds etc. were continued during the year 1954-55. The high prices of cotton in some States at the time of sowing contributed to an increase in area and was followed by favourable weather conditions in practically all the important cotton producing States which helped the yield. As a result, the production of cotton further increased from 39.44 lakh bales in 1953-54 to 42.27 lakh bales, reaching the target fixed under the First Five Year Plan a year in advance. Production in 1955-56, however, is expected to be lower despite an increase in acreage, due to unfavourable weather conditions such as heavy and untimely rains and floods during the growing period. The final official estimate of cotton for the year places acreage and output at 20.2 million acres and 39.98 lakh bales, as against the partially revised estimate of 18.7 million acres and 42.27 lakh bales in 1954-55.

The cotton year ending August 31, 1955 may be regarded as outstanding as both production and mill consumption in that year reached the highest level since the Partition of the country in 1947. The overall increase in production is particularly significant as it was accompanied by a remarkable increase in the production of long staple varieties as shown in the Table below:

Staple-wise Production of Cotton

(Lakh Bales)

Staple length	1950-51	1951-52	1952-53	1953-54	1954-55*
Long staple (7/8" and above) .	6.84 (23.0)	9.18 (29.3)	9.50 (29.7)	14.20 (36.0)	14.65 (34.7)
Medium staple (above 11/16" and below 7/8")	14.48 (48.7)	12.23 (39.0)	13.66 (42.8)	16.37 (41.5)	19.25 (45.5)
Short staple (11/16" and below)	8.39 (28.3)	9.92 (31.7)	8.65 (27.1)	8.77 (22.2)	8.37 (19.8)
Total ..	29.71 (100.0)	31.33 (100.0)	31.94† (100.0)	39.44† (100.0)	42.27 (100.0)

Note :—Figures in brackets indicate the percentage to the total. * Partially Revised. † Includes 13,000 bales for 1952-53 and 10,000 bales for 1953-54 in respect of 'Forest Areas' of Madhya Pradesh for which details are not available.

Source :—Indian Central Cotton Committee (for 1950-51 and 1951-52) and Ministry of Food and Agriculture (for 1952-53 to 1954-55).

India has achieved self-sufficiency in respect of her requirements of cotton upto 1-1/16" staple and hence imports of cotton below that staple length were not generally permitted. During the current year, however, the Government of India have allowed imports of cotton of staple length 7/8" and above from Pakistan under a bilateral agreement and permission valid upto June 30, 1956 has also been given to import 40,000 bales from both dollar and non-dollar areas, for augmenting the internal stocks with a view to arresting the rise in cotton prices. There is now no control on the

movement and distribution of cotton and the only control which remains is in respect of 'floor' and 'ceiling' prices which have been maintained at the last year's levels.

(*b*) *Jute:* Production of jute, which had remained depressed during 1953-54 and 1954-55, showed a marked increase in 1955-56 of 12.09 lakh bales to 41.37 lakh bales, due partly to favourable weather conditions and partly to special efforts made to encourage the sowing of high quality jute under the Jute Development Scheme. A long-term loan of Rs. 4.4 lakhs was granted to the Bihar Government for establishing a new jute seed multiplication farm. Total financial assistance sanctioned for jute development work to the State Governments by the Central Government during 1955-56 amounted to Rs. 21.6 lakhs, of which Rs. 4.6 lakhs were in the form of loans and Rs. 17 lakhs in the form of grants.

(*c*) *Sugar (raw):* The output of sugarcane (in terms of raw sugar or *gur*) increased from 4.4 million tons in 1953-54 to 5.5 million tons in 1954-55, owing to high prices of *gur* during sowing time, favourable seasonal conditions and improved irrigational facilities as compared to the previous season. The increase in acreage and production was shared by almost all the major sugarcane growing States, the share of U.P. being the largest. By the time the large crop was in the market, *gur* prices had come down, and in consequence there was an increase in the availability of cane to factories. Compared to the previous year, the crushing season was also longer. As a result of these factors, the production of white sugar rose steeply from 10.0 lakh tons in 1953-54 to the record level of 15.9 lakh tons in 1954-55.

Schemes launched by the Government in 1953-54 to increase the domestic output of sugar were continued in 1954-55. With the increase in domestic production, imports of sugar in 1954-55 season were reduced and it has been decided not to purchase any more sugar in this season from abroad. Production of sugar in 1955-56 is also expected to show a further rise in view of an increase in the production of sugarcane and the enhanced productive capacity of the industry.

(*d*) *Oilseeds:* The total production of five major oilseeds (groundnut, rape and mustard, sesamum, linseed and castorseed) recorded a substantial increase from 52.9 lakh tons* in 1953-54 to 58.8 lakh tons in 1954-55 and thus exceeded the Plan target of 55.0 lakh tons. Nearly 75 per cent of this increase was accounted for by groundnuts. The output of oilseeds in 1955-56, however, is estimated to fall short of the record crop of the 1954-55 season on account of adverse seasonal conditions during both the sowing and harvesting seasons. According to the final official forecast, production of groundnut and sesamum for 1955-56 has been placed at 38.04 lakh tons and 4.58 lakh tons, respectively, as against the partially revised estimates of 41.28 lakh tons and 5.89 lakh tons, respectively, for 1954-55.

* The "final" estimate given in the Report on Currency and Finance, 1954-55 (p. 28) has since been revised to this figure.

The production of castorseed is estimated at 1.26 lakh tons (final) as against 1.24 lakh tons in 1954-55.

(*e*) *Tea:* The output of tea during 1955 recorded a further rise to 664 million lbs. from 644 million lbs.* in the preceding year. Exports, on the other hand, fell from 449 million lbs. in 1954 to 365 million lbs. in 1955, due mainly to the decline in the offtake by almost all the major foreign markets with the exception of Iran, Egypt and Australia. The decline in exports to the U.K., the principal foreign market, was due largely to credit restriction in the U.K., further intensified by the decision of the Government of India to limit the quantum of direct shipments of tea to the U. K. tea auctions. The latter restriction was, however, suspended in February 1956. Thus, increased home production and lower exports resulted in an accumulation of stocks in Calcutta, leading thereby to a fall in prices. The saving feature of the situation, however, was the increased domestic offtake of tea which prevented a further deterioration.

(*f*) *Tobacco:* The production of tobacco declined during 1954-55 from 2.68 lakh tons in 1953-54 to 2.48 lakh tons, due to a fall in acreage, particularly in Andhra, Bombay and Hyderabad, on account of unfavourable weather conditions at the time of sowing.

Industrial Production

During 1955-56, the process of industrial growth gathered further momentum. This was reflected in a greater expansion in new and existing undertakings as well as in a further rise in industrial production, in both the public and private sectors. In the private sector, 164 licences for the establishment of new undertakings and 319 for expansion of existing undertakings were granted during 1955, under the Industries (Development and Regulation) Act, 1951, the corresponding figures for 1954 being 110 and 226. In 1955, aggregate industrial production recorded a rise of 8 per cent, following a rise of 7 per cent in 1954; the average of the revised general index of industrial production (*base:* 1951=100)† for the year 1955 was 121.9 as against 112.9 for 1954 (*vide* Statement 16). In February 1956, the index reached a new monthly high of 136.5 against the previous peak of 133.5 in September 1955.

The rise in 1955 was marked in sugar, paper, jute manufactures, general engineering, automobiles and rubber. In respect of some important industries, namely, cotton textiles, steel and cement, however, the rise in output was comparatively small. Among basic industries, while cement and steel registered further though small increases, the rise in the output of coal was fairly substantial. Coal output rose from

* Figures supplied by the Tea Board.

† Revised Series : This index covers 88 items as against 35 items covered by the earlier index with 1946 as the base.

36.8 million tons in 1954 to 38.2 million tons in 1955. The production of cement rose slightly from 4.40 million tons to 4.42 million tons, as against the Five Year Plan target of 4.8 million tons. Eleven new schemes of cement production and twelve expansion programmes were sanctioned during the year. The target of output in the Second Plan has been fixed at 12 million tons. The output of finished steel also showed a modest increase of 17,000 tons to 1.26 million tons. The output of pig iron, however, declined slightly to 1.9 million tons from 2 million tons in the previous year. To meet the growing demand for steel in the country, arrangements were made for larger imports. The target of finished steel output in the Second Plan has been fixed at 4.5 million tons; the bulk of the increase is to come from the three plants that are being set up in the public sector at Rourkela, Bhilai and Durgapur with production capacity of about 1 million tons each of steel ingots, with the assistance of West German, Soviet and British steel interests. In view of the importance of steel for the national economy, the Government also established a separate Ministry for Iron and Steel in June 1955.

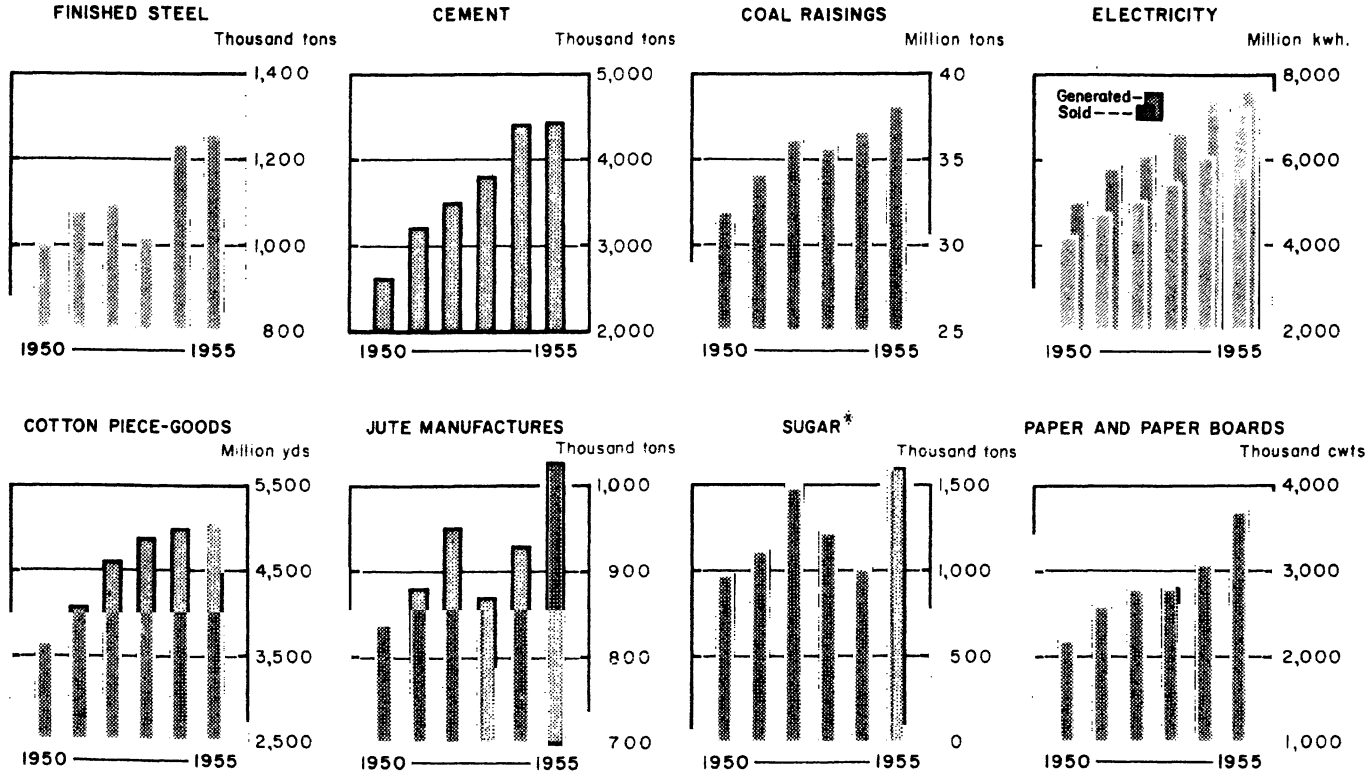
The engineering and electric industries group had a very creditable year of increased range and volume of production. Industries in this group showing a notable improvement included automobiles, bicycles, sewing machines, diesel engines and calico looms. The machine tool industry registered a sharp increase in output from 1,500 machine tools in 1954 to 2,800 in 1955. The production of small and hand tools also increased by about 50 per cent.

In the chemical section, most of the major items maintained an upward trend in output. The output of soda ash recorded a marked rise from 48,288 tons to 77,268 tons. The output of soap, ammonium sulphate, sulphuric acid, caustic soda and chlorine also increased substantially. In the case of matches, the output was markedly higher at 605 thousand cases. Salt production also showed a rise of 10 per cent at 811 lakh maunds.

Among the consumer goods industries, production of cotton textiles maintained an almost uniformly high level and touched a new record during the year. In the mill sector, output of cotton cloth, which had exceeded the target of 4,700 million yards in 1954 itself, showed a further but small increase from 4,998 million yards to 5,093 million yards, though the index (1951 = 100) itself recorded a fractional decline from 109.5 in 1954 to 108.4, after adjusting for variations in the number of working days. Output of cotton yarn, however, increased substantially from 1,561 million lbs. to 1,634 million lbs. The output of handloom cloth also rose appreciably. As against 1,358 million yards during the entire year 1954-55, the output during the first nine months amounted to as much as 1,439 million yards. The production of jute goods recorded a further rise in 1955 from 928,000 to 1,027,000 tons or by 11 per cent. The factors which contributed to this rise were mainly the comfortable supply of

GRAPH 4

INDUSTRIAL PRODUCTION IN INDIA



*Relates to crop year Nov. to Oct.

raw jute, the increase in the jute mill working hours from 42½ to 48 hours per week, and good export demand. Important developments relating to the jute industry during the year were the abolition of the export duty on jute manufactures from August 2, 1955 and the decision to unseal looms by 2½ per cent in January 1956 and by a further 5 per cent in February, out of the 12½ per cent looms sealed since 1949. The Government are also helping the modernisation of the industry by giving licences for the import of required machinery and also by arranging for the production of such machinery in the country itself. About 44 mills out of 85 have been either modernised already or are in the process of modernisation.

Among other major industries, the sugar industry recorded a marked improvement. As against only 10 lakh tons in the 1953-54 season, the production during 1954-55 (November-October) recorded a spectacular rise of 59 per cent to a new record of 15.9 lakh tons. This increase was due to better cane crop as well as larger supply of the raw material to mills as a result of the low price of *gur*. The production during the 1955-56 season is estimated still higher. The installed capacity of the industry is in a process of expansion, and during 1955 licences were granted for the setting up of 16 new factories and for the expansion of 13 existing ones. The manufacture of rubber products also made considerable progress, particularly in rubber footwear, tyres and tubes, hoses and belting. The paper industry continued to make steady progress, with a further substantial rise in production in 1955 of about 30,000 tons to 185,000 tons.

Industrial enterprises in the public sector also advanced to higher levels of performance with Plan targets having been exceeded in a number of cases. The Sindri Fertiliser Factory, for instance, has exceeded the Plan target of 3,20,000 tons by producing 3,21,364 tons of ammonium sulphate. The Penicillin Factory at Pimpri (near Poona) has already achieved the Plan target of 4.8 million mega units. The D.D.T. factory, set up at Delhi, commenced production in March 1955 and Government have, in addition, decided to set up a second plant with a capacity to produce 1,400 tons per annum at Alwaye in Travancore-Cochin. As regards steel, the Government have decided to accept in general the scheme prepared by the British Steel Mission for the erection at Durgapur of a million-ton steel plant. The National Industrial Development Corporation, set up in October 1954, took in hand a number of projects including the establishment of heavy foundries, forges and structural fabrication shops which will make a major contribution to the manufacture of heavy plant and machinery in the country. Further expansion in the public sector is contemplated with the proposed setting up of two more fertiliser factories, a heavy electrical equipment factory and the expansion of coal production.

During the fouryear period 1952-55 for which the revised index numbers of industrial production are available, industrial production advanced by 22 per cent or an annual rate of 5½ per cent, the general index rising from 100.0 in 1951 to 121.9 in 1955. This has been achieved partly by the fuller utilisation of existing capacity as in the case of industries like sugar, paper, sulphuric acid, caustic soda, soda ash,

soap, glass, cement, diesel engines, machine tools and electricity and partly by the expansion of capacity in many industries, particularly in the case of basic industries like cement and steel. A number of new industries were established during the First Plan Period, important among these being petroleum refining, locomotives, aircrafts, ship building, wagons building, penicillin, ammonium chloride and D.D.T. The target of physical output set out in the Plan has been achieved in the case of some industries, *viz.*, cotton textiles, sewing machines, electric transformers, soda ash and ammonium sulphate. Coal output which was expected to rise by about 6 million tons to 38 million tons during the Plan period has reached the level anticipated. A review of engineering industries shows a fall in output in 1952, a very slow rate of rise in 1953 and a sharp increase in 1954 and 1955. The power generating capacity of electrical undertakings (inclusive of private industrial units) is estimated to have risen to 3.4 million k.w. from 2.3 million k.w. at the beginning of the First Plan, almost reaching the Plan expectation of 3.5 million k.w. The output of electrical energy increased by nearly two-thirds between 1950 and 1955. The output of vegetable oil products, cotton yarn, rubber products, sulphuric acid, caustic soda, chlorine liquid, ammonium sulphate, cement, machine tools, power transformers and bicycles showed steady and significant improvement; other industries like matches and automobiles also recorded net increases over 1951.

Alongside their policy of progressive expansion of the public sector of industry, Government have throughout been assisting the private sector in various ways. Besides the provision of basic economic facilities such as transport and power, Government have been assisting industrial development by appropriate fiscal and other measures, by fostering institutions to provide financial aid to these industries, by grant of direct financial assistance in suitable cases and, in case where there exist in the same industry both privately and publicly owned units, by giving fair and non-discriminatory treatment to both of them.

Trends in National Income

The rising trend of national income witnessed since 1949-50 was maintained in 1954-55, the latest year for which estimates are available, though the increase was considerably smaller than in 1953-54. At 1948-49 prices, the *preliminary* estimate of national income, i.e., net national output at factor cost, in 1954-55 is Rs. 10,170 crores* as against Rs. 10,040 crores in 1953-54 and Rs. 8,850 crores in 1950-51, the pre-Plan year (see Table on next page). At current prices, however, there was a substantial decline, from Rs. 10,490 crores in 1953-54 to Rs. 9,910 crores. In 1954-55, per capita income at 1948-49 prices remained unchanged at Rs. 269, while at current prices there was a decline from Rs. 281.0 to Rs. 262.1. As compared with 1950-51, national income in 1954-55 was about 15 per cent higher and per capita income 9 per cent higher, both at constant (i.e. 1948-49) prices.

* Based on partial material and subject to revision.

	1954-55*	1953-54	1952-53	1951-52	1950-51	1949-50	1948-49
Net output in Rs. abja †							
1. At current prices	99.1	104.9	98.2	99.7	95.3	90.1	86.5
2. At 1948-49 prices	101.7	100.4	94.6	91.0	88.5	88.2	86.5
Per capita net output in Rs.							
3. At current prices	262.1	281.0	266.4	274.0	265.2	253.9	246.9
4. At 1948-49 prices	269.0	269.0	256.6	250.1	246.3	248.6	246.9

† abja = 100 crores. * Preliminary.

The rise in national income (at 1948-49 prices) in 1954-55 was accounted for by the three major sectors, namely, (i) mining, manufacturing and small enterprises, (ii) commerce, transport and communications, and (iii) other services (Professions, Government services etc.), the increases amounting to Rs. 60 crores, Rs. 40 crores and Rs. 60 crores, respectively, (*vide* Statement 18). On the other hand, the contribution of agriculture, animal husbandry and ancillary activities recorded a decline of Rs. 30 crores. The trend was the same even at current prices, with this important difference that the decline in the value of output of agricultural sector was much sharper, from Rs. 5,320 crores in 1953-54 to Rs. 4,580 crores in 1954-55 (*vide* Statement 17).

Estimates on the above basis are not available for the year 1955-56. But in the *Second Five Year Plan*, published by the Planning Commission in May 1956, the national income for 1955-56 is estimated at Rs. 10,800 crores, at 1952-53 prices, as compared with Rs. 9,110 crores for 1950-51, representing an increase of 18 per cent over the five-year period.

III. PRICES

General.—The price situation underwent a marked change during 1955-56. Commodity prices recorded an almost continuous rise during the greater part of the year in contrast to the decline in the preceding year. Over the year, the Economic Adviser's general index of wholesale prices (base: year ended August 1939 = 100) rose by 11.6 per cent. At the end of March 1956 the index stood at 390.3, which was close to the level of two years before. However, the average for the year was 4.6 per cent lower than that for 1954-55. After the turn of the year, that is, in April and May 1956, a substantial measure of price stability prevailed.

It will be seen from the Table below that the rise during the year occurred in those groups which had recorded sharp declines last year, namely, food articles, industrial raw materials and semi-manufactures; the index of the manufactures group remained generally stable, as during the preceding year.

(*Base:* Year ended August 1939 = 100)

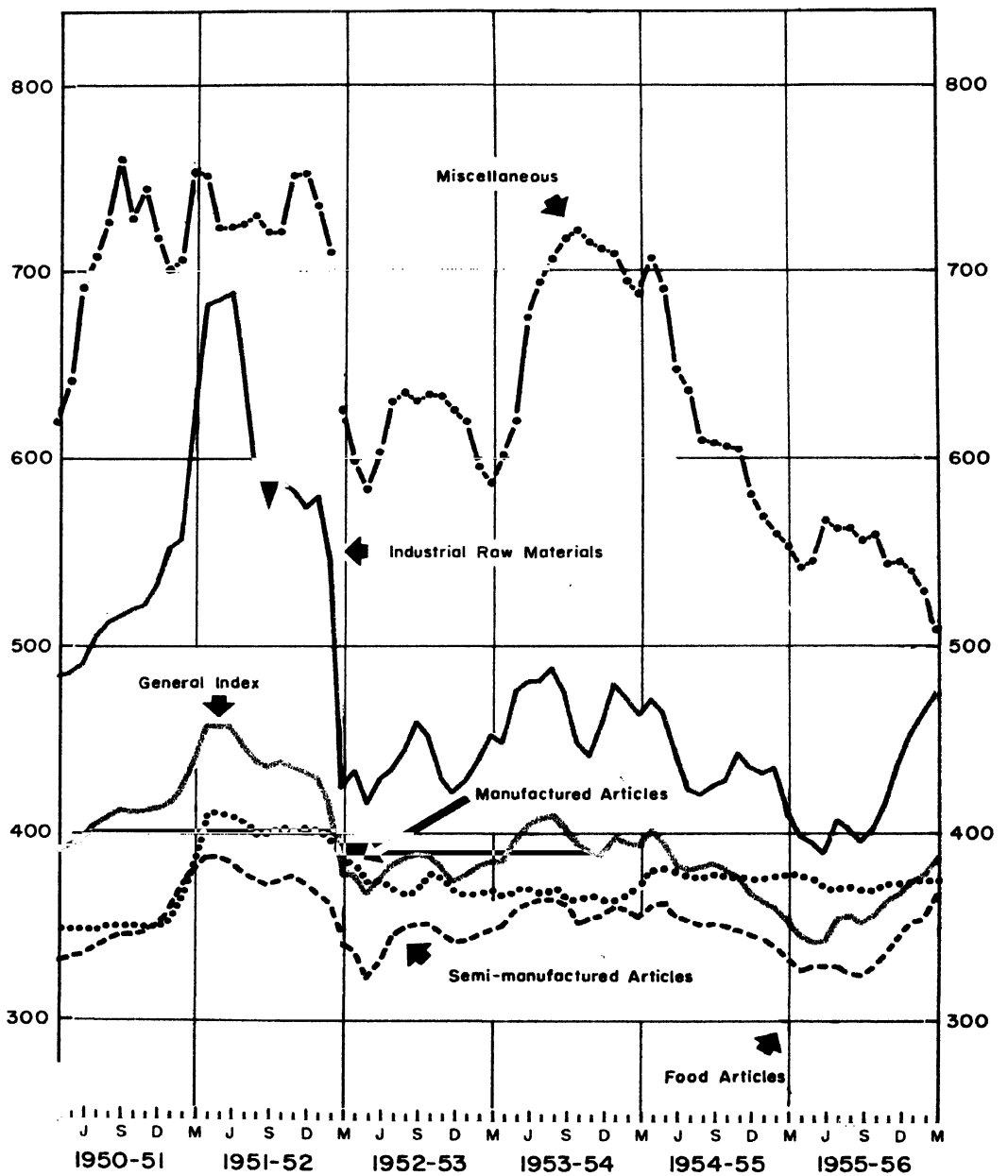
Groups	End-March 1954	End-March 1955	End-March 1956	*Percentage change of (3) over (2)*	Averages for 1953-54	Averages for 1954-55	Averages for 1955-56	*Percentage change of (7) over (6)*
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
All Commodities ..	396.8	349.7	390.3	*+11.6*	397.5	377.5	360.3	*— 4.6*
Food Articles	378.0	293.0	358.8	*+22.5*	384.4	339.8	313.2	*— 7.8*
Industrial Raw Materials .	461.4	400.1	477.9	*+19.4*	467.7	436.2	419.7	*— 3.8*
Semi-Manufactures ..	357.2	332.0	375.1	*+13.0*	359.2	350.3	338.2	*— 3.5*
Manufactures	375.8	376.1	373.6	*— 0.7*	367.4	377.4	372.9	*— 1.2*
Miscellaneous	690.0	545.6	494.1	*— 9.4*	686.6	612.4	546.4	*—10.8*

The rise in prices which commenced in early June 1955 was, in the first instance, in the nature of a correction of the sharp decline which occurred during the preceding one year or so and was assisted, to some extent, by Governmental measures, including limited price support, to achieve a reasonable degree of price stability. However, the almost continuous uptrend, particularly during the latter half of the year, suggested the operation of certain basic factors at work, concerning supply and demand—in brief, a somewhat larger demand against a somewhat smaller supply. These were the lower output of cereals during 1954-55, the rising exports of some industrial raw materials during 1955-56 and apprehensions of lower output, than earlier expectations, in the 1955-56 season, due to floods or drought in parts of the country. It is not improbable there was also some inventory build-up, in view of the accelerated pace of industrial development. Consumption demand must also have been rising, consequent on rising incomes, following higher levels of investment expenditure.

GRAPH 5

INDEX NUMBERS OF WHOLESALE PRICES

Base: Year ended August 1939=100



As regards the influence of monetary and credit factors, there was during the year a substantial expansion of money supply with the public (Rs. 264 crores or 13.7 per cent) owing mainly to the budgetary deficit of Government and extension of credit by banks. In the absence of adequate information regarding such factors as trends in velocity of circulation of currency, which is far and away the major constituent of money supply in India, and extent of expansion of the monetised sector of the economy, it is difficult to establish precise causal relationships between changes in money supply and prices. However, it would appear that the increase in money supply and bank credit reflected in a large measure the legitimate needs of an expanding economy, and such impact as it had on prices through speculative hoarding was relatively of a minor nature. The substantial stepping up of development expenditure in the Second Five Year Plan (see Chapter on Public Finance), involving larger deficit financing, would also appear to have contributed, especially towards the close of the year, to an inflationary psychology which led to some hoarding in anticipation of a substantial price rise later.

In these circumstances, Government's price policy, which earlier in the year continued to be directed towards arresting the price decline, was switched on towards a policy of arresting the rising trend of prices. The measures included imposition of restriction on exports, release of Government stocks of foodgrains for sale to the public at fair prices and arrangements for larger imports. Credit policy has also been geared towards achieving the same objective. In early April 1956, the Reserve Bank asked for more detailed and frequent data from banks regarding their advances, with a view to taking suitable action if credit was being extended for speculative purposes. Also, as mentioned earlier, on May 17, 1956, the Reserve Bank issued a directive to banks asking them to refrain from excessive lending against commodities and in particular against paddy and rice; the margin maintained by banks in respect of advances against rice and paddy was to be uniformly raised. Banks were also advised to endeavour to achieve a reduction in their aggregate advances against paddy and rice to a level which would not be more than 25 per cent above that of the corresponding week of the previous year. These measures appear to have borne some fruit in that the continuous uptrend in the general price level since about the middle of 1955 was arrested at the turn of the year; the general index of wholesale prices moved within a very narrow range between 389 and 392 during April and May 1956, the fall in the 'Food articles' group being the main restraining factor.

The price level at the end of the year was 13 per cent below the level at the beginning of the First Five Year Plan period, though it should be noted that this latter level marked the culmination of the post-Korean inflationary rise. But the general price level at the end of March 1956 was slightly below even the pre-Korean war level; except semi-manufactures and manufactures, the remaining group indices were lower. However, price movements during the five-year period have been irregular and at times been characterised by wide fluctuations.

Wholesale Price Indices (Weekly) as on Some Key Dates

	June 24, 1950 (pre-Korea) (1)	Mid-April 1951 (Korean peak) (2)	Mid-March 1952 (3)	Mid-Aug. 1953 (4)	April 10, 1954 (5)	Sept. 25, 1954 (6)	June 4, 1955 (7)	End-March 1956 (8)	End-May 1956 (9)	Percentage Change of (9) over (2) (10)	Percentage Change of (9) over (1) (11)
All Commodities	397	462	365	412	404	384	341	390	391	−15.4	− 1.5
Food Articles ..	407	414	335	410	389	362	277	359	348	−15.9	−14.5
Industrial Raw Materials ..	494	700	383	489	472	428	386	478	484	−30.9	− 2.0
Semi-Manufactures	336	390	339	367	360	352	331	375	387	− 0.8	+15.2
Manufactures ..	347	413	377	371	381	379	371	374	377	− 8.7	+ 8.6
Miscellaneous ..	692	789	611	705	706	607	575	494	508	−35.6	−26.6

Since the fluctuations have been mostly in primary commodities, it would appear that variations in supply were mainly responsible for the price trends. Demand has perhaps been showing a steady rise owing to the rising investment and incomes.

Price Trends.—The price movements during the year may now be reviewed in some detail. The downward trend in wholesale prices noticed since mid-April 1954 continued till early June 1955. The general index recorded a fall of about 3 per cent to 340.6 between end-March and June 4, 1955, this being the lowest level since March 1948. 'Food articles' and 'Industrial raw materials' declined by 6 per cent and 3½ per cent, respectively. Of the former, wheat and gram recorded sharp falls of 20 and 11 per cent, respectively, under the pressure of new *rabi* crop arrivals. Government continued their efforts for stabilisation of agricultural prices by providing export outlets, extension of the price support scheme to wheat, gram and rice in April, June and August 1955 and by creating additional internal demand through allowing flour mills to make their purchases upto six months' requirements. In contrast to the decline in primary commodities, indices of 'semi-manufactures' and 'manufactures' remained relatively steady during this period.

The general downtrend, however, was reversed at the beginning of June, and the uptrend which set in then continued throughout the year. The initial rise was, as mentioned earlier, partly in the nature of a corrective to the previous unduly low levels. It was also to some extent seasonal in character. But the almost uninterrupted continuance of the rise during the rest of the year, and particularly during the period of the usual seasonal easiness between September to December, when the new *kharif* crops are harvested, was the result of the operation of more fundamental factors concerning supply and demand, referred to earlier. In the first place, there

were fears of lower agricultural output during the 1955-56 season. As already mentioned in the section on agricultural production, the 1955-56 output of some food crops (mainly coarse grains), cotton and oilseeds was expected to be lower than that of 1954-55. On the other hand, in the case of some of these commodities, for instance oils, oilseeds and raw cotton, exports recorded a substantial increase over the previous year. Besides, in the latter half of the year, as the formulation of the Second Plan was progressing, it became obvious that the rate of investment would be substantially higher than in the First Plan and that there would also have to be a much larger dose of deficit financing in the public sector. In this context it is not improbable that, to a certain degree, speculative demand was superimposed on the increase in consumption demand consequent on higher investment and incomes in the economy.

During the rising phase of prices from early June 1955 to end of March 1956, the 'Food articles' group showed the sharpest rise of 30 per cent, with increases in prices of all the commodities included in the group, excepting tea. Prices of jowar in particular recorded a very steep rise of 142 per cent. Rises in rice, wheat, gram and gur prices were also large, being 28, 53, 67 and 41 per cent, respectively. On the other hand, prices of tea declined by 28 per cent, while the price of sugar showed hardly any net change (*vide* Statement 21). The sharp decline in tea prices was due to higher production and lower export demand. The 'Industrial raw materials' group rose by 24 per cent with significant increases in prices of oilseeds and raw cotton, by 57 and 26 per cent, respectively. Raw jute prices recorded a small increase of 5 per cent. This does not give the whole picture however. The earlier decline in raw jute prices was prolonged till September 1955, the net decline since February 1955 amounting to about 30 per cent. From October 1955, however, they moved upwards due to the damage to jute crops following the floods as well as the increased mill demand, and showed a sharp rise of 18 per cent between September 1955 and March 1956. The 'semi-manufactures' group rose by 13 per cent, mainly due to the sharp rise of 50 per cent in vegetable oil prices. As against these, manufactured goods remained more or less steady, while there was a decline in the miscellaneous group of about 14 per cent due mostly to declines in tobacco leaf of 27 per cent and black pepper of 25 per cent, owing mainly to lower export demand.

With a view to checking an undue rise in the general price level, Government took various measures, particularly in the direction of improving the supply position by discouraging exports, releasing stocks from Government reserves, and arranging for larger imports. Later, in January-February 1956, the Government imposed a ban on exports of foodgrains, namely, jowar, maize, pulses, including gram and gram flour, rice and wheat products. Further, stocks of wheat and rice with the Government were released for sale in the open market and fair price shops for foodgrains were opened in various centres. Government have also been making arrangements for

larger imports of rice and wheat to build up Government reserves. With this end in view, it was decided early in April 1956 to import during 1956 one million tons each of wheat and rice. Subsequently, negotiations were conducted with the Government of Burma for the import of 2 million tons of rice over a period of five years commencing from June 1, 1956. It was also decided that the Government would participate in the new International Wheat Agreement tenable for three years from August 1, 1956. In the case of oils and oilseeds, Government's chief measure to restrain the rise in prices was the raising of export duties. In April 1956, the export duty on castor oil was increased from Rs. 125 to Rs. 175 per ton while fresh export duties were imposed on linseed oil at Rs. 250 per ton and on kardiseed oil and nigerseed oil, at Rs. 200 per ton. In order to check the sharp rise in cotton prices, Government had to intervene in the Bombay futures market. Forward trading was suspended for two weeks from December 24, 1955 to January 7, 1956 and again from January 25, after squaring up compulsorily all transactions at Rs. 700 per candy for February contract and Rs. 686-8 for May contract.

Notwithstanding the rise in prices, there was no major instance of reimposition of physical or price controls. Controls on distribution of heavy structural steel and rails and on the acquisition and disposal of bars and rods at registered dealers' level, which were lifted in 1952 and 1953, respectively, were reimposed in November 1955 following a large increase in the demand for these materials.

Certain price adjustments were made in the case of some other controlled commodities, namely, coal, steel and rubber. The price of coal was raised twice during the year. An increase of 3 annas per ton was made from July 18, 1955 in the case of all better grade coal produced in West Bengal and Bihar coal fields including grade I coal and coal produced in Madhya Pradesh, Vindhya Pradesh, Orissa and Assam coal fields (excluding Khasi mines). Again, with effect from November 12, 1955, an increase of 3 annas per ton was given only to metallurgical coal (upto and including grade II) in West Bengal and Bihar coal fields. As regards the retention price for steel, the Government accepted the Tariff Commission's main recommendation that the average price for the Tata Iron and Steel Company and the Indian Iron and Steel Company should be fixed at the uniform rate of Rs. 393 per ton and maintained for a period of five years from 1955-56 to 1959-60. For the year 1954-55, the retention prices had been fixed at Rs. 343 per ton and Rs. 386 per ton for the Tata Iron and Steel Company and the Indian Iron and Steel Company, respectively, in view of the differences in their costs of production. The difference between the adjusted retention price and uniform retention price on the one hand and the actual selling price on the other is to be credited to the respective development funds of the two companies for financing their expansion programmes. Also, with a view to encouraging the output of rubber, the maximum price of raw rubber was raised from Rs. 150 to Rs. 155-12 per 100 lbs., effective from September 1955.

Consumer Price Index (Working Class).—The downtrend in cost of living (working class) noticed since October 1954 was arrested in June 1955, following a reversal of the trend in the general price level from one of decline to one of rise. The all-India consumer price index for working class (base : year 1949 = 100), after an initial decline from 94 in March 1955 to 92 in May, moved up to 97 in August 1955 and, after narrow movements of a point on either side, rose to 100 in March 1956, representing a rise of 6 points over the year (*vide* Statement 22). The index for March 1956 was, however, 10 per cent below the peak level reached in August 1953. Over the year, the consumer price indices in all important centres recorded increases which were marked in the case of Ahmedabad, Delhi, Sholapur, Jamshedpur and Jabalpur.

IV. MONETARY AND BANKING TRENDS

General.—The year was marked by a rather rapid expansion of money supply in comparison with the rate of growth of economic activity. Over the year, money supply with the public* rose by Rs. 264 crores or 13.7 per cent to Rs. 2,184 crores, as compared with a rise of Rs. 127 crores in 1954-55. The main contributory factors for the expansion during the year were budgetary deficits and expansion of bank credit. During the five-year period 1951-56 as a whole, the rise in money supply was Rs. 206 crores or 10.4 per cent.

The expansion of deposit liabilities of *scheduled* banks continued during the year and at Rs. 101 crores was practically of the same magnitude as last year (Rs. 94 crores), though the rise was larger in demand liabilities. The rise in scheduled bank credit† was, however, much larger at Rs. 138 crores than Rs. 85 crores in 1954-55, while the increase in scheduled banks' investments in Government securities at Rs. 16 crores was smaller than in 1954-55 at Rs. 25 crores. Banks accordingly resorted to the Reserve Bank for much larger borrowings, which showed an increase of Rs. 28 crores or 76 per cent over the year.

The sharp rise in the demand for bank credit accounted for a greater measure of stringency in the money market during the major part of the year under review, with money rates ruling higher. The impact of the slack season was milder and that of the busy season more severe than usual, reflecting to a significant extent the accelerated tempo of economic activity as well as the diversification of the economy in the direction of secondary and tertiary industries.

Over the Plan period 1951-56, total net deposit liabilities of scheduled banks rose by Rs. 163 crores to Rs. 1,043 crores or by 18 per cent. Time liabilities alone accounted for as much as Rs. 124 crores of the rise, representing an increase of 43 per cent; their share in total net liabilities, as a result, went up from 33 per cent to 40 per cent. This reflected (i) the impact of the comparatively higher interest rates prevailing on these deposits since the adoption of the new monetary policy in November 1951 and (ii) the decrease in liquidity preference as a result of the general monetary and price stability over the greater part of the period. Credit extended by scheduled banks rose over the period by about Rs. 200 crores or by a little over 35 per cent, and their investments in Government securities by about Rs. 40 crores or 13 per cent.

Money Supply.—Money supply with the public expanded by Rs. 264 crores during 1955-56 to Rs. 2,184 crores—more than twice the expansion of 1954-55

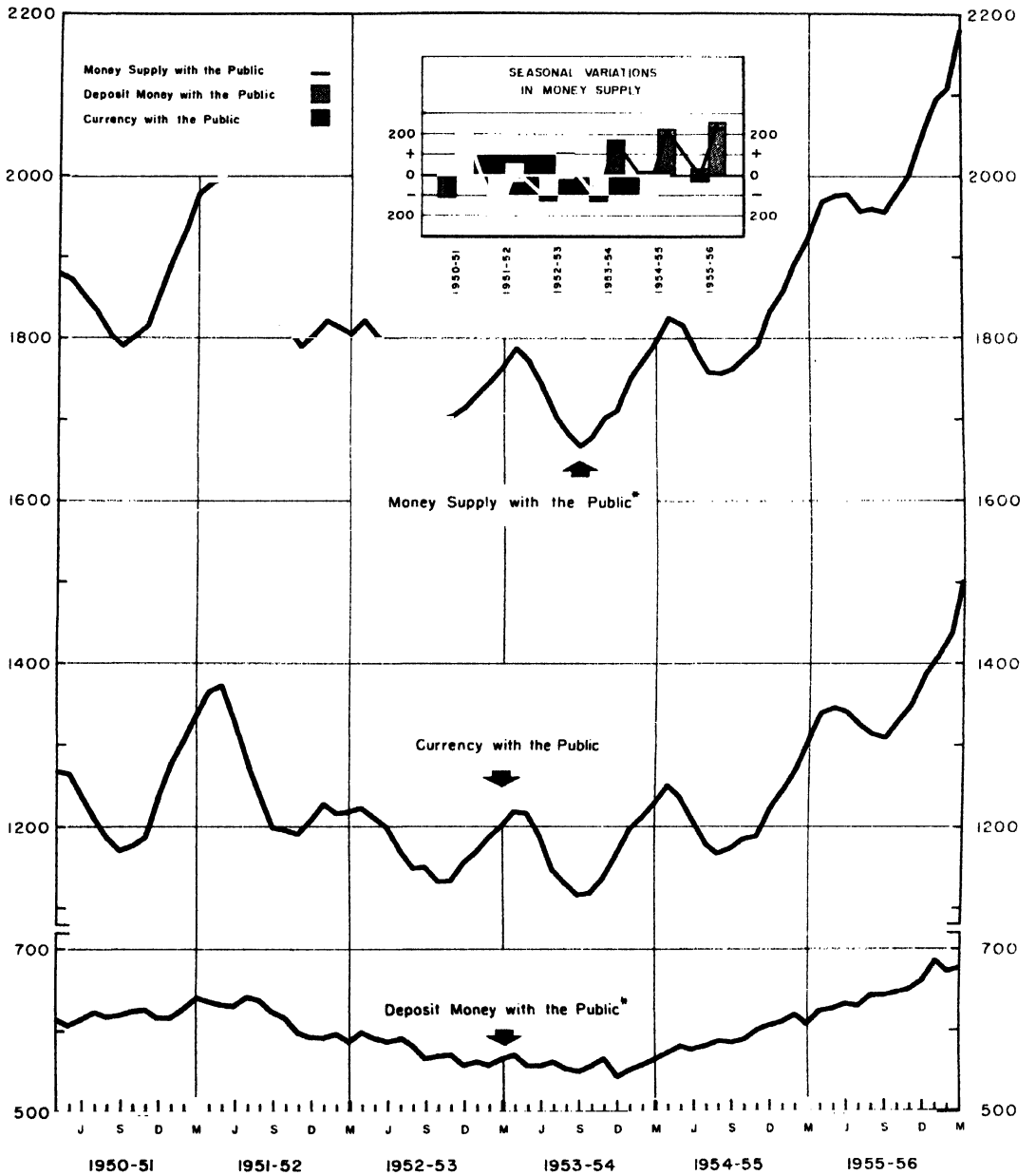
* *Excluding* State Governments' deposits with the Reserve Bank.

† Comprising advances and inland and foreign bills purchased and discounted in India; excludes money at call and short notice.

GRAPH 6

MONEY SUPPLY WITH THE PUBLIC*

(IN CRORES OF RUPEES)



* Excluding deposits of other Governments with the Reserve Bank of India

and the largest rise in any year in the post-war period (see Table below). Of the total expansion in money supply during the year, the share of currency was substantially larger at 73.3 per cent as against 65.0 per cent in 1954-55 ; this probably reflected the character of disbursements arising out of the large additions to development expenditure which led to a relative increase in incomes among classes of the population among whom the banking habit has little developed.

Money Supply with the Public

(Crores of Rupees)

	Variations during each of the years					Variations during 1951-52 to 1955-56	Outstanding as at the end of March 1956	*Percentage variation during the Plan period*
	1951-52	1952-53	1953-54	1954-55	1955-56			
1. Currency with the Public ..	—115*	—17	+30	+ 82	+193	+174*	1,505	*+13.0*
2. Demand Liabilities (net) of scheduled, reporting non-scheduled and State co-operative banks†	— 54	—19	+ 1	+ 49	+ 68	+ 46	667	*+ 7.5*
3. "Other" deposits‡ with the Reserve Bank (excluding I.M.F. Account No. 1). ..	— 6	— 3	— 2	—5	+ 2	— 14	12	*—53.8*
4. **Money supply with the Public** ..	**—175***	**—39**	**+29**	**+127**	**+264**	**+206***	**2,184**	**+10.4**

* Net of adjustments made in respect of India notes returned from circulation in Aden.

† Includes from 1952-53 figures of non-scheduled banks confining their activities to Part "B" States only.

‡ Comprise mainly deposits of foreign Central Banks, I.M.F. (Account No. 2), I.B.R.D. and Financial Corporations in India.

The major factors contributing to the expansion in money supply during 1955-56 were the same as in the preceding year, *viz.*, budgetary deficit and credit extension by banks to the private sector but the magnitude of the impact of both was sharper. For purposes of analysis of money supply variations, broadly speaking, budgetary deficit is measured by the extension of Reserve Bank credit to Government (which now mainly takes the form of the purchase by the Bank, of Government securities, mostly *ad hoc* Treasury bills), after making adjustments for net changes in Governmental cash balances with the Reserve Bank. Defined thus, budgetary deficit

in 1955-56 amounted to Rs. 163 crores as against Rs. 74 crores in 1954-55*. The increase in the holdings of Government securities of banks† also contributed to the increase in money supply in both the years, Rs. 21 crores in 1955-56 and Rs. 28 crores in 1954-55. Credit expansion of banks to the private sector was more marked in 1955-56 and at Rs. 148 crores was more than twice the expansion of Rs. 65 crores in the previous year. If adjustment is made for the net increase in the time liabilities of banks, which are not regarded as forming part of money supply, the role of bank credit to the private sector in the expansion of money supply in 1955-56 becomes even clearer. While the expansion of bank credit *rose* from Rs. 65 crores in 1954-55 to Rs. 148 crores in 1955-56, the net addition to time liabilities of banks *declined* from Rs. 52 crores to Rs. 43 crores. That is, the increase in the net indebtedness of the private sector to the banking system was much larger at Rs. 105 crores in 1955-56 as compared with only Rs. 13 crores in 1954-55. The external payments position also contributed to some extent to the expansion in money supply, unlike in 1954-55. As against a deficit of Rs. 23 crores in 1954-55, there was a surplus of Rs. 16 crores during 1955-56, as indicated by the net rise in foreign assets of the Reserve Bank (*vide* Statement 23).

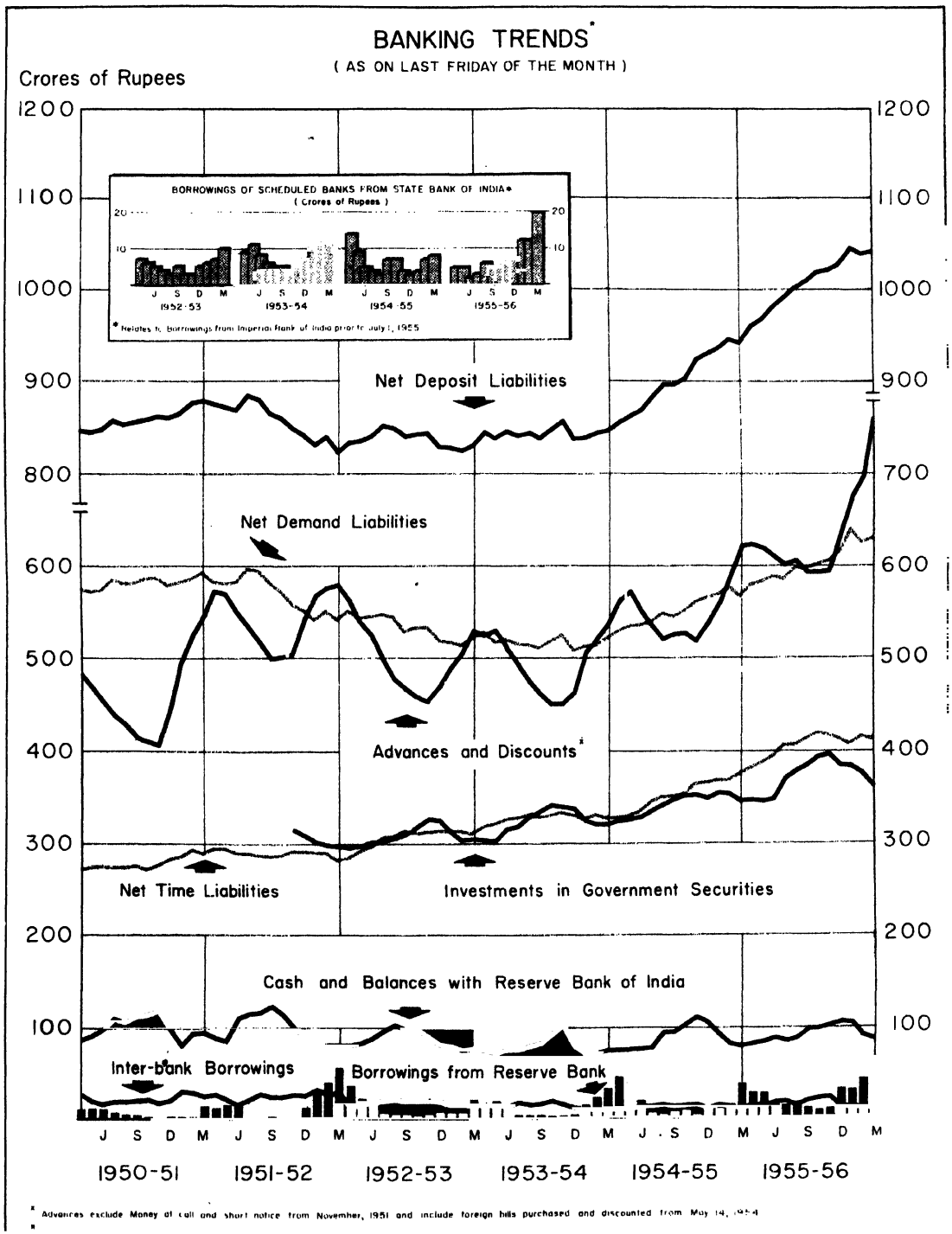
A significant change appears to have come about in the *seasonal* trends of money supply and bank credit during the last two years. The contraction during the usual slack period (May-October roughly) is becoming much less pronounced than before, while the expansion during the busy season (November-April roughly) is growing. These changes reflect in part the fundamental changes that are taking place in the Indian economy, namely, a rapid growth in the secondary and tertiary sectors in relation to the primary sector and the higher tempo of economic development in general under the impetus of the Five Year Plan. In fact, during the 1955 *slack* season (May 7 to October 28, 1955), money supply with the public showed a nominal decline of Rs. 3 crores only, as compared with a decline of Rs. 77 crores in the 1954 *slack* season and of Rs. 128 crores in the 1953 *slack* season. Since, in the 1954-55 *busy* season, money supply had expanded by Rs. 222 crores, the volume of money supply at the start of the 1955-56 *busy* season, which commenced about a month later than in the previous year (i.e., at the end of October 1955), was Rs. 219 crores higher than at the commencement of the previous busy season.

The monetary expansion in the *busy* season of 1955-56 (October 29, 1955 to May 11, 1956) amounted to Rs. 264 crores and exceeded the previous year's *seasonal*

* It should be noted that these variations are with reference to the last *Friday* of each year and not the last *day* of the year. Owing to this fact, the increase in the Treasury bills held by the Reserve Bank during 1955-56 and therefore the budgetary deficit is exaggerated. On the basis of year ended March 31, the net increase in Treasury bills held by the Reserve Bank in 1955-56 was only Rs. 131 crores as against Rs. 103 crores in 1954-55, whereas on Friday-to-Friday basis the increase in 1955-56 was Rs. 161 crores as against Rs. 73 crores in 1954-55. Further, on the basis of last Friday, there will be 53 weeks in 1955-56, as against 52 weeks in the previous year, but the last Friday figures give the correct position of the variations over the five year period 1951-56, since the last Friday of March 1951 and March 1956 fell on 30th.

† Comprising scheduled banks and reporting non-scheduled and State cooperative banks.

GRAPH 7



* Advances exclude Money at call and short notice from November, 1951 and include foreign bills purchased and discounted from May 14, 1954

expansion (by Rs. 42 crores) and even the post-Korean expansion in the 1950-51 season (by Rs. 27 crores) ; in this expansion, 90 per cent of which was in the form of currency, bank credit to the private sector played a relatively larger role. In the 1955-56 busy season, budgetary deficit, in the sense defined earlier, was slightly higher at Rs. 159 crores as compared to Rs. 144 crores in the 1954-55 *busy* season ; this was almost wholly reflected in the purchase of Government securities (i.e. *ad hoc* Treasury bills) by the Reserve Bank, whereas in the 1954-55 *busy* season it occurred largely through reduction of Government cash balances with the Reserve Bank. On the other hand, Government security holdings of banks declined by Rs. 37 crores and thus exerted a contractionist effect of an equal magnitude ; in the 1954-55 *busy* season, there had been hardly any change in this item. But the rise in bank credit to the private sector was larger at Rs. 183 crores as against Rs. 103 crores in 1954-55. Further, in the 1955-56 *busy* season, the rise in time liabilities of banks was Rs. 19 crores smaller at Rs. 13 crores. Thus, the increase in net indebtedness of the private sector to the banking system in the 1955-56 *busy* season amounted to Rs. 170 crores as against Rs. 70 crores only in the previous *busy* season. The external payments position also exerted a small expansionist effect on money supply as against a contractionist influence in the 1954-55 *busy* season (*vide* Statement 24).

It will be of interest to review briefly the trends in money supply during the Plan period as a whole. Broadly, the trends during this period fell into two phases. In the first phase, covering the two years 1951-53, money supply declined by Rs. 214 crores, the bulk of which occurred in 1951-52 (see Table on page 25). In the subsequent three years, money supply registered a total rise of Rs. 420 crores ; the annual rate of increase during the period mounted up from 1.7 per cent to 13.7 per cent. For the Plan period as a whole, thus, the net rise was Rs. 206 crores or about 10 per cent. This is of course excluding the substantial rise of Rs. 137 crores in quasi-money supply, i.e. time deposits with banks. Inclusive of this, the expansion of money supply would be of the order of 15 per cent. During the same period, the general index of wholesale prices showed a net decline of 13 per cent and national income (at constant prices) is estimated to have risen by 18 per cent.

Broadly speaking, the decline in money supply during the first two years of the Plan reflected mainly the deficit in external transactions ; during this period, the Reserve Bank's foreign assets declined by Rs. 160 crores. There was also during this period a net decline in bank credit to Government (as reflected in banks' investments in Government securities). As this phase coincided with the working off of the post-Korean credit boom, bank credit to the private sector was almost a neutral factor in money supply. The increase of Rs. 420 crores in money supply during the last three years of the Plan was mainly due to two factors, namely, budgetary deficit and creation of bank credit for the private sector, amounting, respectively, to Rs. 203 crores and Rs. 223 crores*. The emergence of a surplus on external

* Including a rise of Rs. 1.6 crores in foreign bills purchased and discounted between March 1953 and April 1954.

account during this period, as indicated by the rise of Rs. 22 crores in the foreign assets of the Reserve Bank, also exerted a small expansionist influence on money supply. The expansionist effect of the above factors was, however, partly reflected in quasi-money supply, i.e. time deposits of banks, which recorded an increase of Rs. 111 crores (*vide* Statement 23).

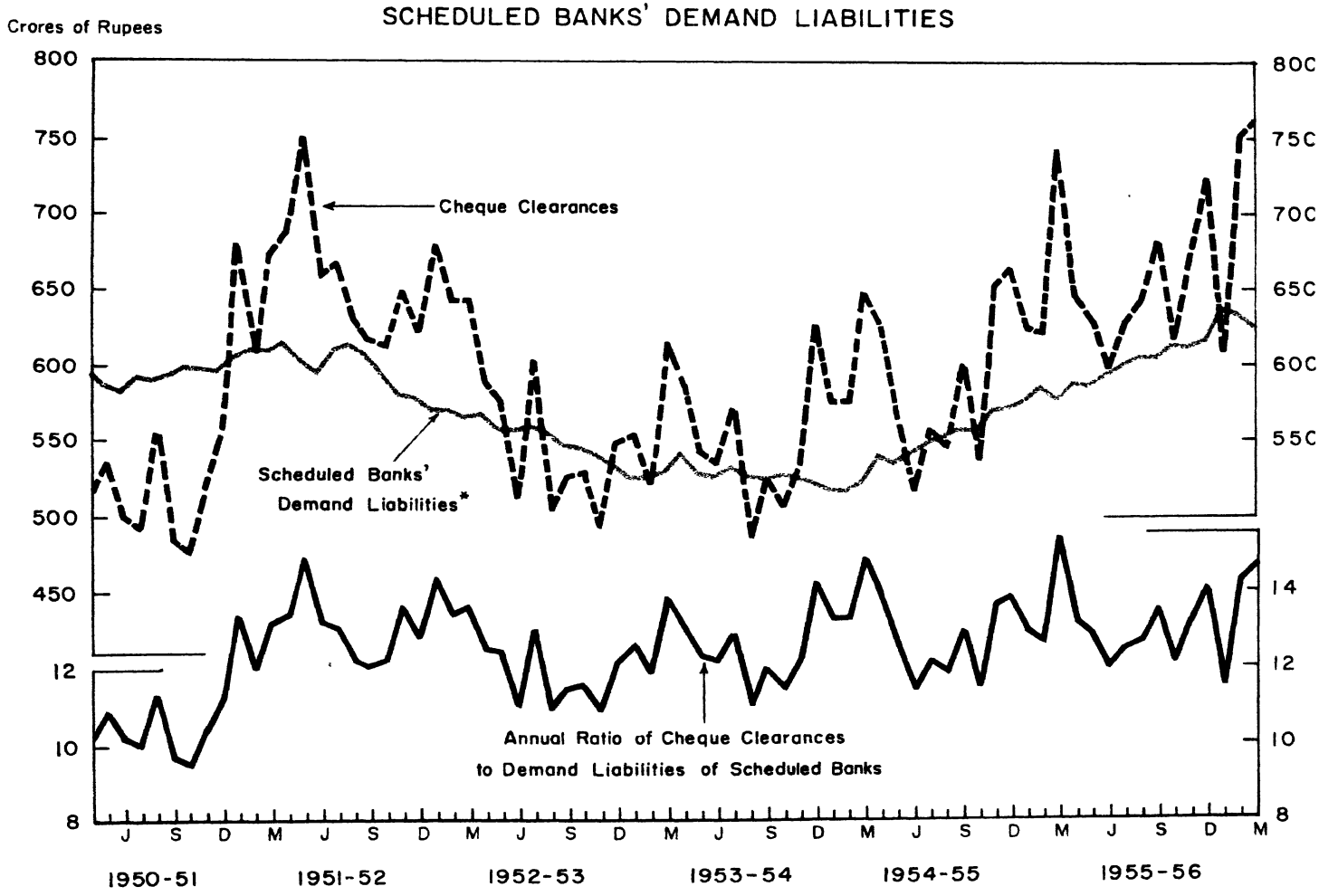
Money Market Trends.—The 1954-55 *busy* season expansion of *scheduled* bank credit which began in the middle of October 1954 came to an end early in April 1955, the total of advances and bills discounted reaching a peak of Rs. 633 crores on April 1, 1955 (*vide* Statements 26 & 29, and Graph 7), representing an increase of Rs. 113 crores. Contrary to the usual seasonal trend, net deposit liabilities of *scheduled* banks showed a rise of Rs. 48 crores during this period to Rs. 950 crores. This enabled banks to meet higher credit demands with less recourse to the Reserve Bank than in the preceding year. The total amount of *scheduled* banks' outstanding borrowings from the Reserve Bank at their busy season peak on April 1, 1955 at Rs. 38 crores was substantially lower than the preceding busy season peak of Rs. 54 crores reached on May 7, 1954.

The seasonal downtrend in *scheduled* bank credit continued up to the middle of October 1955; during this period, bank credit contracted by Rs. 44 crores to Rs. 589 crores or by 39 per cent of the preceding busy season expansion ; the advances-deposit ratio* also declined from 66.6 per cent to 57.9 per cent. On the other hand, net deposit liabilities rose by Rs. 66 crores to Rs. 1,016 crores, time liabilities accounting for the major part. The *scheduled* banks were, therefore, able to reduce their borrowings from the Reserve Bank substantially by Rs. 31 crores, build up their cash balances by Rs. 15 crores and also add Rs. 46 crores to their portfolio of Government securities. Borrowings from the Reserve Bank touched a seasonal low of Rs. 5 crores on October 21, advances outstanding under the Bill Market Scheme being Rs. 4 crores (*vide* Statement 28). Short-term money rates also tended to decline though, on the whole, the rates remained at higher levels than in previous years, reflecting the relatively greater stringency in the money market. The call rate quoted by larger *scheduled* banks in Bombay declined from 3 per cent on April 15, 1955 to 1½—1¾ per cent on July 22, while the rate for 3 months' deposits declined from 3⅛—3¼ per cent to 2¾—3 per cent on July 1. This trend was, however, interrupted temporarily as a result mainly of the increased demand for funds for investment in the new Central and State loans; consequently, the rates tended to rise, the call rate amongst the larger scheduled banks moving up to 2¾—3 per cent on August 19. Thereafter, the pressure for funds eased, the call rate touching a low of 1¼—1½ per cent on October 27.

The busy season of 1955-56 witnessed a record expansion in bank credit. Between the middle of October 1955 (when the seasonal uptrend commenced) and the

* Ratio of advances (exclusive of money at call and short notice) and bills purchased and discounted to net deposit liabilities.

CHEQUE CLEARANCES AND SCHEDULED BANKS' DEMAND LIABILITIES



*Including inter-bank borrowings.

second week of May 1956, when it reached a peak, *scheduled* bank credit expanded by Rs. 180 crores to Rs. 769 crores, as compared with an expansion of Rs. 113 crores during the previous *busy* season. This expansion was practically of the same magnitude as during the *busy* season of the Korean war period (i.e. November 25, 1950 to May 11, 1951). The advances-deposits ratio rose to 73.0 per cent as compared with a peak of 66.6 per cent last year. Since during this period the rise in net deposit liabilities amounted to Rs. 38 crores only, *scheduled* banks had recourse to the Reserve Bank and had to liquidate their investments on a relatively larger scale. Outstanding borrowings from the Reserve Bank rose by Rs. 67 crores as compared with the rise of Rs. 32 crores during the *busy* season of 1954-55, and touched a peak of Rs. 73.5 crores on May 11 as compared with a peak of Rs. 38 crores in the previous *busy* season. Of the rise, more than two-thirds was accounted for by borrowings under the Bill Market Scheme. The liquidation of scheduled banks' investments in Government securities amounted to Rs. 35 crores as against Rs. 4 crores only in the 1954-55 busy season.

Over the *financial year* 1955-56, *scheduled* bank credit expanded by Rs. 138 crores or about 22 per cent. It would appear that the larger expansion over the year as well as during the *busy* season took place in response mainly to the growth of trade and industry; the value of foreign trade during the year, it will be noted, was higher by Rs. 112 crores* as compared to the previous year. Besides, the general price level recorded a substantial rise in 1955-56, partly in response to world-wide conditions, necessitating a larger volume of credit, though the connection between changes in the price level and bank credit is not one-sided. It is probable that there was extension of credit which was put to speculative purposes to a small extent and the Reserve Bank took some action to discourage such lending (*vide* pp. 8 and 19).

In the above context of growth in the demand for bank funds, the stringency in the money market was much greater than during last year and consequently the rates, especially call rates, recorded appreciable rises. To some extent the raising of the Bank rate in the U. K. in the middle of February 1956 also contributed to the uptrend. The call rates, for instance, rose in March to 3¼—3⅜ per cent in Bombay and to 4—4¼ per cent in Calcutta. Rates for three and six months' deposits also tended to harden, to about 3½ per cent. In April the rates declined, the call rate by about ¼ per cent in Bombay and by ⅝ per cent in Calcutta. There was no material change in the rates in May (*vide* Statement 32).

Towards the close of the year some changes were made in the terms of the Reserve Bank's lending to the scheduled banks under the Bill Market Scheme. With effect from March 1, 1956, the rate chargeable on advances under the Scheme was raised from 3 per cent (which was a concessional rate, being ½ per cent below the Bank rate) to 3¼ per cent (i.e. ¼ per cent below the Bank rate) and the

* Based upon Exchange Control data.

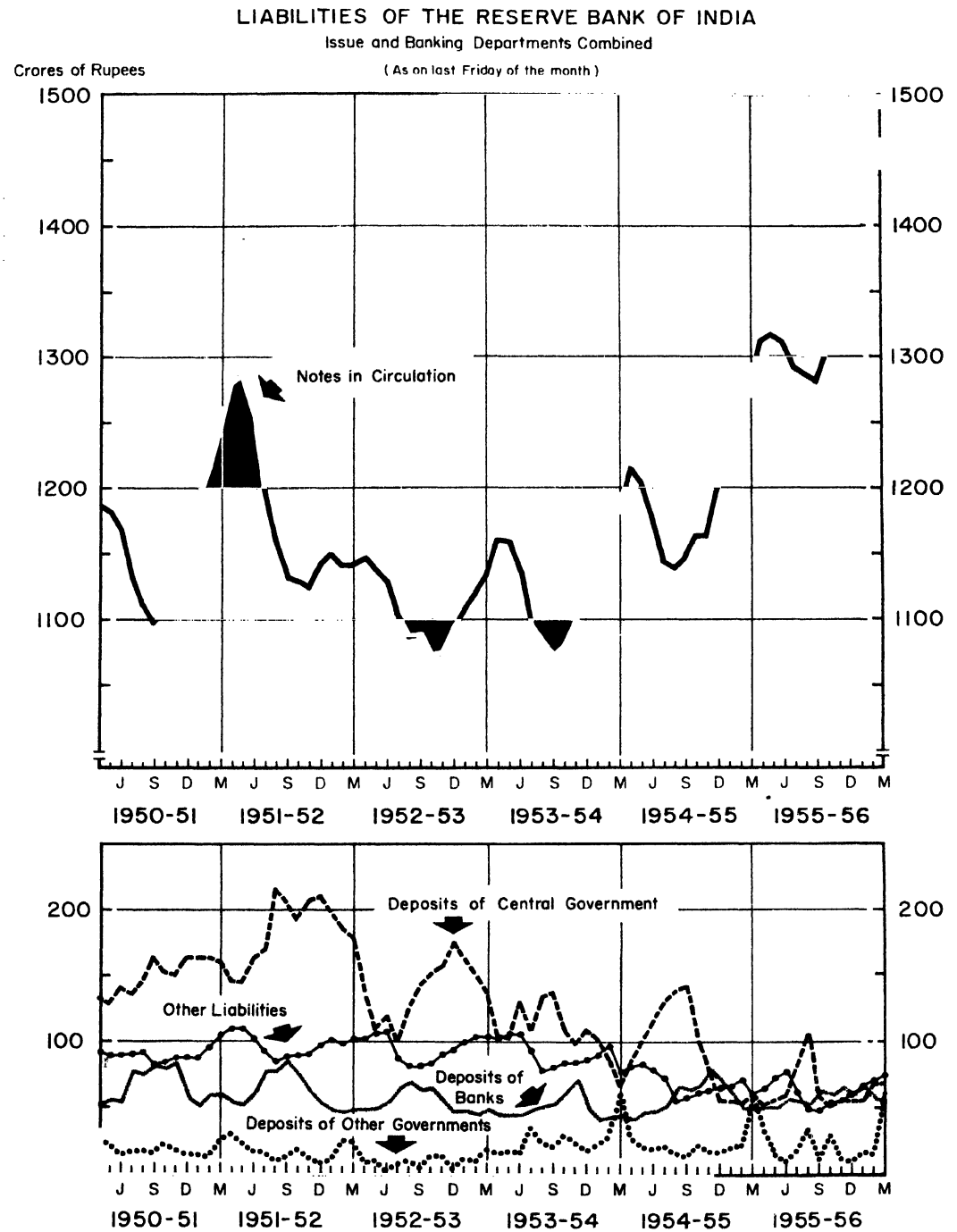
concession so far granted to banks whereby the Reserve Bank shared the cost of the stamp duty involved in converting demand bills into *usance* bills was also withdrawn. These concessions had been initially offered to popularise the Scheme. In the course of its working during the past four years, it appeared that the banks and their constituents had become well acquainted with the technique of borrowing under the Scheme. It was also observed that, since the introduction of the Scheme, there had been a material change in the resources of the scheduled banks in that their deposits had shown a considerable rise. The concessions were, therefore, modified.

Other Banking Developments.—During the year under review, the number of scheduled banks increased by 1 to 89 as a result of the inclusion in the Second Schedule to the Reserve Bank of India Act of a new exchange bank, *viz.*, the Mitsui Bank Ltd. The number of offices of scheduled banks increased further from 2807 at the end of March 1955 to 2898 at the end of March 1956.

A landmark in Indian banking was the inauguration on July 1, 1955 of the State Bank of India which took over the undertaking of the Imperial Bank of India in terms of the State Bank of India Act (referred to in the last year's Report). In that Report, details regarding compensation payable to the erstwhile shareholders of the Imperial Bank of India were also given. Briefly, the compensation was payable in Central Government securities but the shareholder was permitted to take it in the form of State Bank of India shares, and the first Rs. 10,000 in cash in the case of shareholders whose names stood registered in the books of the Imperial Bank of India as on December 19, 1954. As regards the compensation payable in securities, it was decided that it should consist of Government of India promissory notes of the 3½ per cent National Plan Bonds (Second Series) 1965, to be valued at Rs. 98-8 for every Rs. 100 nominal. Shareholders who opted to receive compensation in the form of State Bank of India shares were given one such share for every Rs. 350 due to them. The total value of compensation paid upto March 31, 1956 amounted to Rs. 18.56 crores, of which Rs. 13.18 crores were in the form of the 3½ per cent National Plan Bonds (Second Series) 1965, Rs. 1.49 crores in the form of State Bank of India shares and Rs. 3.89 crores in the form of cash.

An important statutory function assigned to the State Bank is the promotion of banking development through the establishment of an effective machinery of branches spread over the whole country, the number of branches to be opened within a period of 5 years, or such extended period as the Central Government might fix, being 400. The centres where additional branches will be established are required to be determined by the Central Government from time to time in consultation with the Reserve Bank and the State Bank of India. Accordingly, as a first step in the formulation of the expansion programme, a list of 100 centres, covering mostly the district and relatively important sub-treasury centres, has been finalised by the Central Govern-

GRAPH 9


LIABILITIES OF THE RESERVE BANK OF INDIA
Issue and Banking Departments Combined
Crores of Rupees
(As on last Friday of the month)
1500
1400
1300
1200
1100
Notes in Circulation
J S D M J S D M J S D M J S D M J S D M J S D M
1950-51
1951-52
1952-53
1953-54
1954-55
1955-56
200
100
Deposits of Central Government
Other Liabilities
Deposits of Banks
Deposits of Other Governments

ment in consultation with the Reserve Bank and the State Bank. The selection of centres has, for the present, been confined to Part 'A' and 'C' States, since decisions have yet to be taken regarding the State-associated banks which operate largely in Part 'B' States. Since its establishment on July 1, 1955 and upto March 31, 1956, the State Bank has established 21 branches.

It will be recalled that in their General Report published on December 20, 1954 (*vide* Report on Currency and Finance for 1954-55), the Committee of Direction of the All-India Rural Credit Survey had recognised the provision of vastly extended remittance facilities for co-operative and other banks as one of the important means by which the State Bank of India was to achieve its objective of stimulating banking development. The position in this regard until October 31, 1955 was that a scheduled or a State co-operative bank could remit, *once* a week, an amount of Rs. 5,000 or a multiple thereof, from any place at which there was an agency of the Reserve Bank to any account which it maintained with the Reserve Bank, such remittance being permitted to each of its offices, branches, sub-offices or pay offices, free of charge. As from November 1, 1955, a scheduled or a State co-operative bank can have this facility *twice* a week. This is the first step in the direction of liberalisation of remittance facilities.

In the last year's Report, a reference was made to the Reserve Bank of India (Amendment) Act, 1955, empowering the Reserve Bank to set up two National Funds, *viz.*, (i) the National Agricultural Credit (Long-Term Operations) Fund and (ii) the National Agricultural Credit (Stabilisation) Fund. The Reserve Bank constituted the first of these, *viz.*, the National Agricultural Credit (Long-Term Operations) Fund, on February 3, 1956, with an initial sum of Rs. 10 crores. An annual contribution of not less than Rs. 5 crores for the five years commencing from June 30, 1956 is to be made towards this Fund. This Fund will make loans and advances to State Governments for subscribing to the share capital of co-operative credit institutions and to central land mortgage banks. The first loan out of the Fund for Rs. 8 lakhs was sanctioned to the Government of Madras for contribution to the share capital of large-sized credit societies.

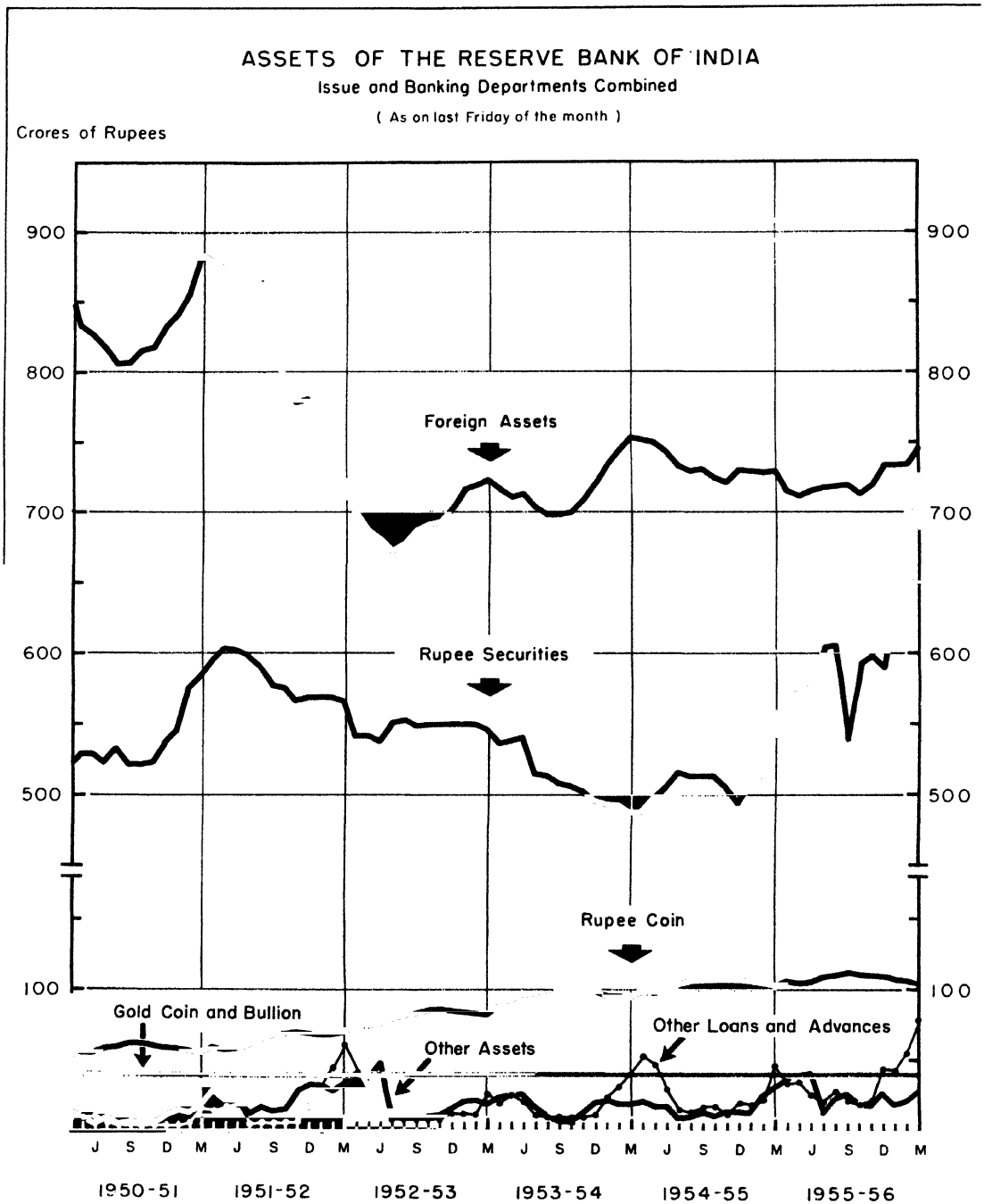
Co-operative Credit.—The general outline of re-organisation of the rural credit structure as advocated in the General Report of the Committee of Direction of the All-India Rural Credit Survey was fully endorsed at the joint meeting of the Reserve Bank's Standing Advisory Committee on Agricultural Credit and the Central Committee for Co-operative Training in January 1955 and the Second Indian Co-operative Congress held in March 1955. The recommendations made in the Report came up again for consideration at the Conference of State Ministers on Co-operation in April 1955. At this Conference, it was decided that the State Governments should draw up programmes of co-operative development, in consultation with the Government of India insofar as they pertained to the development of co-operative marketing,

warehousing and processing, and with the Reserve Bank, in respect of the development of co-operative credit as an integral part of the Second Plan. The Conference also recommended that the integrated scheme of rural credit should be undertaken on a pilot basis in two or three selected districts or self-contained units in every State in 1955-56. This Conference was followed by two regional conferences of representatives of State Governments and marketing organisations, one at Hyderabad in November 1955 and another at Jaipur in February 1956, to discuss the problems relating to the implementation of the scheme for development of marketing, processing and warehousing. These conferences made some important recommendations in this connection.

Following the recommendations of the Conference of State Ministers on Co-operation, the State Governments have drawn up programmes for co-operative development for the Second Plan period which have incorporated the main features of the integrated scheme of rural credit outlined in the Rural Credit Survey Report. In the Second Plan submitted to Parliament in May 1956, the targets for short-term, medium-term and long-term credit to be achieved through co-operative institutions have been set at Rs. 150 crores, Rs. 50 crores and Rs. 25 crores, respectively. For this purpose, it is proposed to organise during the Plan period about 10,400 large-sized credit societies and 1,800 primary marketing societies. In addition to organisation of co-operative processing institutions, it is envisaged that about 350 warehouses of Central and State Warehousing Corporations, 1,500 godowns of marketing societies and 4,000 godowns of large-sized credit societies will be constructed by 1960-61. For achieving these targets, apart from the contribution which the Reserve Bank will be making to the share capital of co-operative credit institutions, the Plan provides for a total sum of Rs. 47 crores.

The accommodation provided by the Reserve Bank of India to the co-operative movement has continued to show a rising trend in the First Plan period. During the year under review, credit limits sanctioned by the Reserve Bank to the State co-operative banks for financing seasonal agricultural operations and marketing of crops at a concessional rate of 1½ per cent, i.e., 2 per cent below the Bank rate, showed a perceptible increase. Total limits sanctioned to 19 of these banks amounted to Rs. 28.16 crores in the co-operative year 1955-56 (upto June 15, 1956) as compared to Rs. 21.21 crores sanctioned to 15 banks in the whole of 1954-55. The amounts drawn by them rose from Rs. 18.04 crores in 1954-55 to Rs. 23.29 crores in 1955-56 (upto June 15, 1956). The increased accommodation availed resulted mainly from the further progress made in the re-organisation of the co-operative movement in various States and also from the readiness on the part of the State Governments to stand guarantee for the loans granted to the apex banks in case of need. As regards medium-term loans, the Reserve Bank is permitted to give loans with a maturity of between 15 months and 5 years under Section 17 (4A) of the Act. Under this Section, the Reserve Bank granted loans to the extent of Rs. 1.30 crores at the

GRAPH 10


ASSETS OF THE RESERVE BANK OF INDIA
Issue and Banking Departments Combined
(As on last Friday of the month)
Crores of Rupees
900
800
700
600
500
100
Foreign Assets
Rupee Securities
Rupee Coin
Gold Coin and Bullion
Other Assets
Other Loans and Advances
J S D M J S D M J S D M J S D M J S D M J S D M
1950-51
1951-52
1952-53
1953-54
1954-55
1955-56

concessional rate of 1½ per cent to 9 State co-operative banks during the co-operative year (upto June 15, 1956) as against Rs. 1.22 crores sanctioned to 4 banks in the preceding year. In addition, two State co-operative banks were sanctioned loans at the Bank rate for financing the purchase of yarn to the extent of Rs. 30 lakhs during the co-operative year (upto June 15, 1956). The Reserve Bank has recently decided to make advances to State co-operative banks, under Section 17 (2) (*bb*) of the Reserve Bank of India Act, for financing the production and marketing activities of weavers' societies at a concessional rate of interest fixed at 1½ per cent below the Bank rate, provided the rate of interest for the ultimate borrower is not unreasonably high. During the five-year period ended March 31, 1956, amounts held by State co-operative banks from the Reserve Bank recorded a net rise of Rs. 7.74 crores to Rs. 12.98 crores.

In the field of long-term finance, reference may be made to the scheme of joint purchase of debentures of land mortgage banks by the Reserve Bank and the Government of India or the State Government by arrangement with the Government of India, intended mainly to ensure an increasing proportion of loans for productive purposes made by land mortgage banks. Under the scheme, Rs. 19 lakhs worth of debentures issued by two central land mortgage banks were purchased during the year under review, of which the share of the Reserve Bank amounted to Rs. 9.5 lakhs.

V. THE CAPITAL MARKET

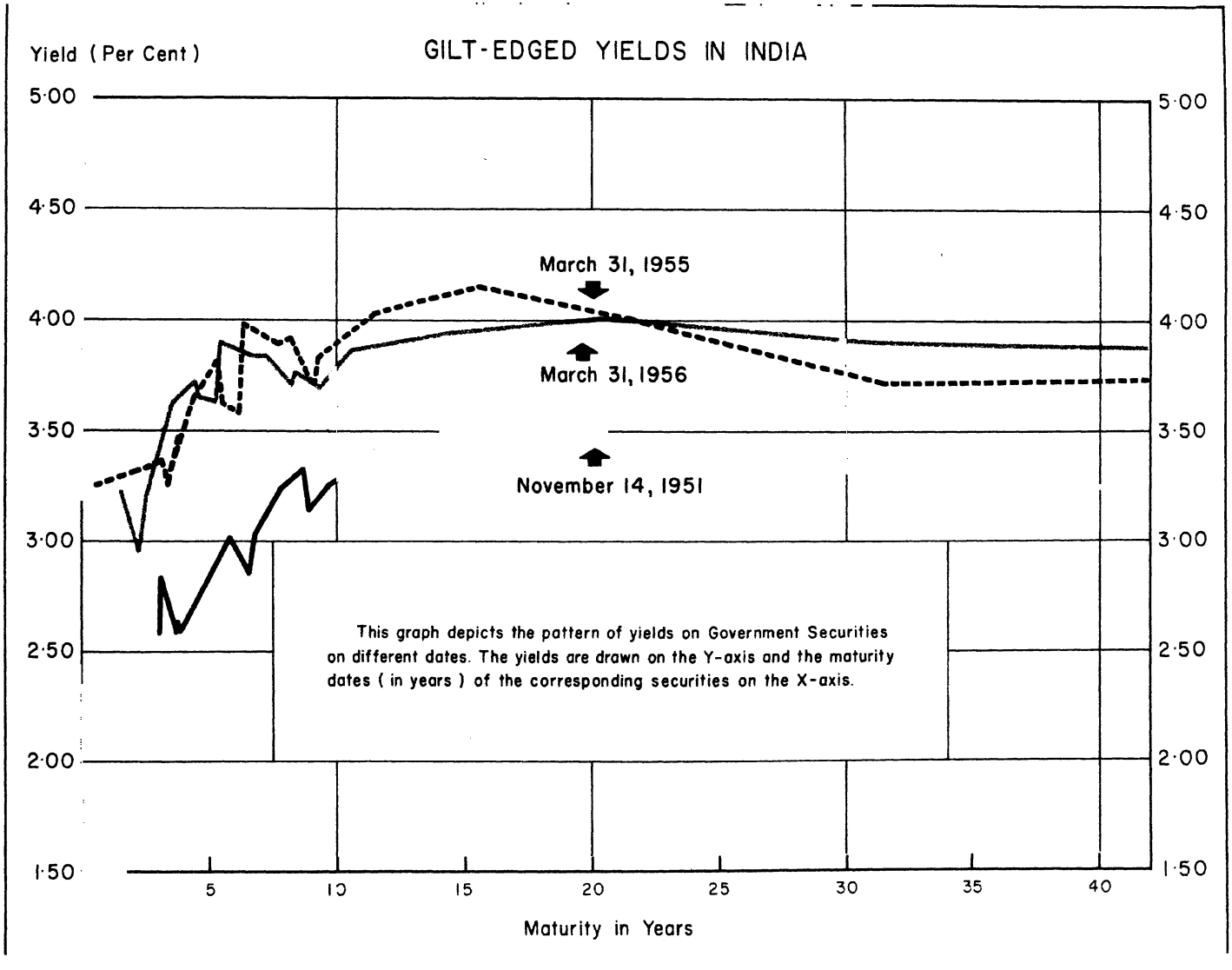
General.—In continuation of the trend of the last two years, the capital market displayed considerable strength during the year under review, reflecting, by and large, the general continuance of economic conditions favourable to savings and investment, namely, the growth of the country's economy already achieved and the prospects of a more rapid development as envisaged under the Second Five Year Plan Outline. The declaration of Government's policy for the establishment of a socialist pattern of society did not appear to produce, except temporarily, any significant adverse effects on investment psychology. On the other hand, the various measures of Government to strengthen the institutional set-up for financing industries and to check the major abuses in company management and stock market trading seemed to have aided investment confidence. It would appear there is also a growing tendency for savings to be invested in securities. There was increased activity on the capital market, with good response to new issues, both Government and private. The total amount of capital issues sanctioned in 1955 by the Controller of Capital Issues at Rs. 125 crores was the highest since 1948. In particular, these trends in the capital market were influenced by shifts in the national income in favour of the trading and manufacturing sectors of the economy with the fall in agricultural prices in the previous year; the consequent rise in profits of commerce and industry was also associated with the larger volume of foreign trade which is a customary source of savings in less developed economies. However, as mentioned in an earlier Chapter, agricultural prices during the current year have been on the uptrend.

The gilt-edged market displayed a marked resilience, notwithstanding large loan floatations, Central and State. The industrial share market ruled buoyant during the greater part of the year. Share prices recorded a further net rise for the third year in succession, the rise since September 1953 (when the general uptrend commenced) being 33.6 per cent.

All-India Index Numbers of Security Prices

(*Base* : 1949-50=100)

	March 1955 (1)	March 1956 (2)	Annual Average 1954-55 (3)	Annual Average 1955-56 (4)	*Percentage variations of* (2) *over* (1) (5)	(4) *over* (3) (6)
Government Securities (Central Loans)	90.4	90.7	90.4	90.8	+0.3	+0.4
Fixed Dividend Industrial Securities (Preference Shares)	87.3	85.8	88.4	87.3	—1.7	—1.2
Variable Dividend Industrial Securities	115.4	122.4	112.9	121.6	+6.1	+7.7


GILT-EDGED YIELDS IN INDIA
Yield (Per Cent)
5·00
4·50
4·00
3·50
3·00
2·50
2·00
1·50
March 31, 1955
March 31, 1956
November 14, 1951
This graph depicts the pattern of yields on Government Securities on different dates. The yields are drawn on the Y-axis and the maturity dates (in years) of the corresponding securities on the X-axis.
5
10
15
20
25
30
35
40
Maturity in Years

There was a significant increase in the activities of the different special institutions for the provision of finance to industry. The Industrial Finance Corporation of India, for instance, nearly doubled its loan sanctions to Rs. 13 crores in 1955-56. The Industrial Credit and Investment Corporation of India began operations during the year and handled, among other things, the underwriting of a large new issue. Three more State Financial Corporations were established during the year, thus bringing the total number of such corporations established so far to 13. Loans sanctioned by these Corporations together recorded a rise from Rs. 2 crores in 1954-55 to Rs. 3 crores. Of special significance were the steps taken to aid small-scale industries and these included the decision by the Government of India to advance loans to State Governments in order to enable the latter to liberalise their rules for the grant of loans to small-scale industries and the initiation by the State Bank of India, in consultation with the Reserve Bank of India, of a scheme for co-ordinating effectively the activities of the various institutional agencies providing credit requirements of small industries.

Other important developments concerning the capital market during the year were (i) the enactment, in January 1956, of the Companies Bill (referred to in the last year's Report), which came into force on April 1, 1956* and (ii) the progress made in the proposed legislation which provides for the regulation of stock exchanges and of transactions in securities dealt in on them. The latter, which is embodied in the Securities Contracts (Regulation) Bill 1954 (also mentioned in the last year's Report), was referred to a Joint Select Committee of Parliament on November 28, 1955. The Committee's report, was submitted to Parliament in February 1956.

Government Securities.—The gilt-edged market ruled rather quiet during the first half of April but firmed up during the latter half with the gradual easing of monetary conditions and the revival of institutional support. In May, the Reserve Bank successively revised upwards its selling rates for the 3½ per cent National Plan Loan 1964 and the 3 per cent Loans 1966-68 and 1970-75. With sustained institutional buying, the firmness continued upto about early August. The market reacted favourably to the terms of the new floatations (*viz.*, the Union Government 3½ per cent Loan 1965 and the 4 per cent 1967 State issues) and, despite a substantial diversion of investible funds into the new issues, ruled generally steady. It firmed up again from mid-September and prices were steadily marked up thereafter upto mid-February, the Reserve Bank's index of Government of India securities rising from 90.7 to 91.2. The strength of the market, which coincided with an acute phase of stringency in the money market, was attributable to sustained investment buying by non-bank institutional investors such as insurance companies, provident funds and sinking funds. From mid-February 1956, however, following the raising of the Bank of England rate, effective February 16, gilt-edged in India turned somewhat easy,

A Summary of the Act is given in Appendix III.

reflecting the market's apprehensions of a possible similar action by the authorities here. The downtrend, however, was confined mainly to the irredeemable issues. The 3 per cent Conversion Loan of 1946 dropped from Rs. 80 as. 7 on February 16 to Rs. 80 by February 21. Since the anticipated official support was not forthcoming at this level, the downtrend in this loan continued through the rest of the year, the loan falling to Rs. 76 as. 12 by March 31. Some of the dated issues also eased as an immediate reaction to the rise in the Bank of England rate but, from about the second week of March, most of the loans resumed their earlier uptrend.

Over the year, most of the dated loans showed net gains, which ranged upto Rs. 2 as. 5 in the case of the 3 per cent Loan 1970-75; the corresponding gains in 1954-55 had ranged upto only Re. 1 as. 4. Among the irredeemables, both the 3 per cent Conversion Loan of 1946 and the 3 per cent Rupee Paper showed declines of Rs. 3 as. 13 and Rs. 3 respectively, which were larger than the declines of Re. 1 as. 13 and Rs. 2 as. 4 registered during 1954-55 (*vide* Statement 42). Among the dated issues, consequent on a larger decline in the yields of longer-dated than in the shorter-dated, the spread between the two somewhat narrowed down (*vide* Statement 43).

State Government issues also ruled generally firm, the Reserve Bank's all-India index rising from 96.1 in March 1955 to 96.7 in March 1956. The net gains over the year ranged upto Re. 1 as. 12.

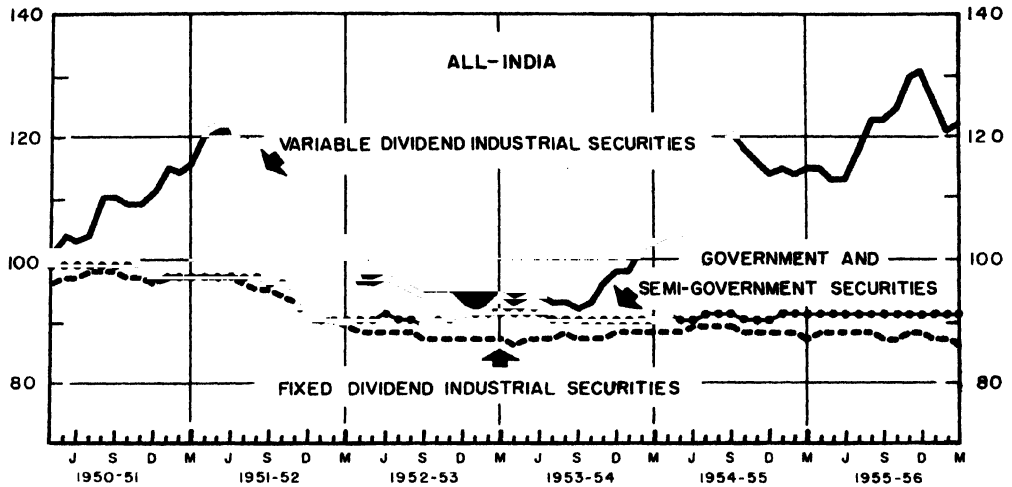
Industrial Securities.—In the first two months of 1955-56, trading in the industrial share markets was characterised by a generally quiet tone, which was mainly in the nature of a technical correction to the substantial rise which had occurred since September 1953. Perhaps this also reflected, in part, the market's reaction to the enactment in April of the Constitution (Fourth Amendment) Bill, which made the issue of compensation for nationalisation non-justiciable. The Reserve Bank's weekly index number of variable dividend securities declined from 115.6 for the week ended April 2, 1955 to 111.9 for the week ended June 4.

Thereafter, however, the market resumed its earlier uptrend which continued upto end-November, the weekly index reaching a peak of 131.9, or a rise of 17.9 per cent. Encouraging trends in company profits and dividends, and expectations of large-scale deficit financing in the closing year of the First Plan as well as in the Second Plan period, appear to have provided the main stimulus to the market. Investors seemed to be satisfied that, even in the context of Government's decision to establish a socialist pattern of society, there was considerable scope for private enterprise; the several forms of Government assistance to private enterprise, including the provision of finance directly and through special institutions such as the Finance Corporations provided further evidence in this behalf. Investors have viewed with favour Government's determination to eradicate evils of company

GRAPH 12

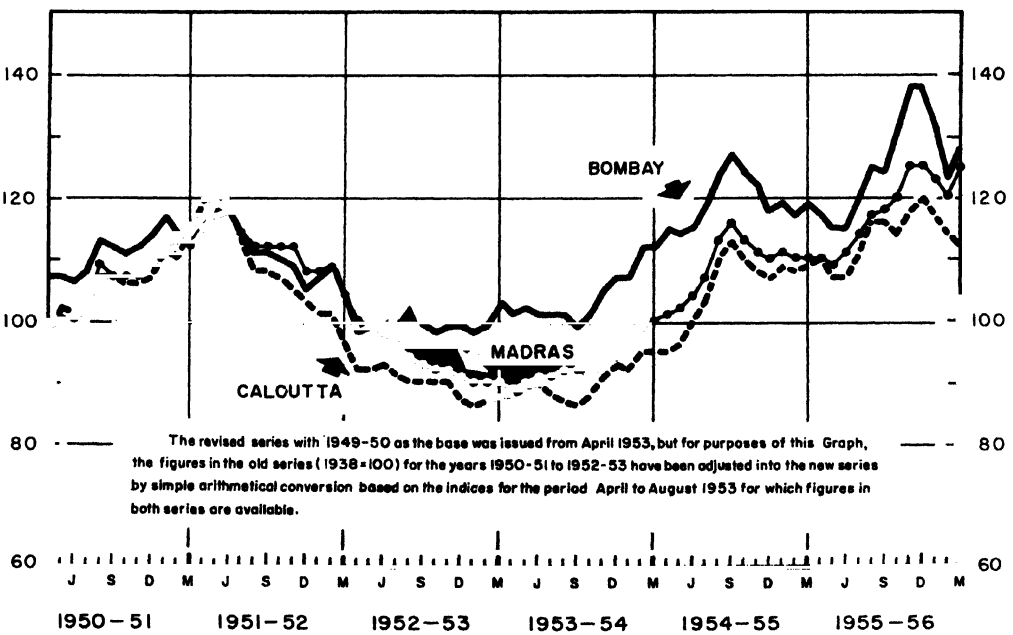
INDEX NUMBERS OF SECURITY PRICES

Base:—1949-50=100



VARIABLE DIVIDEND INDUSTRIAL SECURITIES

REGIONAL



The revised series with 1949-50 as the base was issued from April 1953, but for purposes of this Graph, the figures in the old series (1938=100) for the years 1950-51 to 1952-53 have been adjusted into the new series by simple arithmetical conversion based on the indices for the period April to August 1953 for which figures in both series are available.

management through the new Companies Act. Further, it would appear that in view of the far-reaching character of the new Companies Act, especially in regard to the managing agency system, there was a tendency for buying of shares in order to retain control over management of companies. It is also probable that there was a growing tendency for savings to be put into stocks and shares.

However, as it happens in a period of persistent rise or fall, there was undoubtedly an element of unhealthy speculation in the uptrend of share prices. This was indicated by the subsequent sharp reaction which occurred during the period December 1955 to February 1956. During this period, share prices recorded an all-round decline (the weekly general index of variable dividend securities falling to 120.1 for the week ended February 25), which was partly in the nature of a technical correction and which partly reflected the market's reaction to various factors which included: (1) apprehensions of heavy taxation in the 1956-57 budget, including a tax on total wealth and ceilings on net income and (2) the issuance by Government on January 19, 1956, of an Ordinance nationalising life insurance and fears of further measures of nationalisation, (3) rumours that the new issue by the Tata Iron and Steel Co. would be permitted only at a substantial premium and (4) reports of a move to revise the Industrial Policy Resolution of April 1948 in keeping with the objective of a socialist pattern of society. The immediate reaction of the market to the taxation proposals contained in the 1956-57 budget, as presented to Parliament on February 29, 1956, was also bearish but the market soon settled down and a recovery set in from early March, indicating the revised view taken by the market in regard to the implications of the proposals. The recovery movement, which was led by the 'textiles' group, was aided by the highly encouraging performance of companies, especially in the textiles group, in 1955. At the close of the year the index recovered to 124.6.

For the year as a whole, the market registered an appreciable net rise for the third year in succession. The Reserve Bank's all-India index of variable dividend industrial securities (base: 1949-50 = 100) for March 1956 showed a net increase of 6.1 per cent over March 1955 (*vide* Statement 46 and Graph 12), the corresponding figure for 1954-55 being 12.5 per cent. The annual average for 1955-56 also worked out higher at 121.6 as compared with 112.9 for 1954-55—a net rise of 7.7 per cent. Region-wise, the rise over the year was the largest in Madras (13.5 per cent) followed by Bombay (7.3 per cent), while Calcutta showed a relatively small rise of 2.4 per cent (*vide* Statement 47). These regional divergences arose mainly from the differences in the industrial groups traded at these centres.

A comparative analysis of the movements in the prices of the various groups and sub-groups during the year revealed wide divergences, which reflected the operation of special factors in regard to individual industries. Thus, in the Financial

group, banks went up by 4.7 per cent in contrast to a decline of 2.3 per cent in the preceding year, perhaps reflecting the improved profits situation; insurance, on the other hand, declined sharply by 19.3 per cent as against a rise of 7.9 per cent in 1954-55, owing, it would appear, largely to apprehensions (since materialised) regarding nationalisation of life insurance. The group 'Manufacturing Industries' which had risen by 12.3 per cent in 1954-55, rose further by 10.1 per cent. Among the major sub-groups, while cotton textiles (24.0 per cent) and paper (31.5 per cent) showed substantial increases, jute (15.3 per cent) and iron and steel (2.0 per cent) registered declines in contrast to appreciable increases in the previous year; in the case of jute, the decline mainly reflected the general pessimism regarding the future of this industry in view of the growing world competition. The Non-Manufacturing Industries group showed a rise of only 1.3 per cent, as against 46.8 per cent in the previous year; among the sub-groups, while mining and oil rose further by 29.9 per cent, plantations declined by 10.9 per cent, as against a steep rise of 83.8 per cent in 1954-55.

As regards fixed dividend industrial securities, while the index for preference shares at 85.8 showed a further small decline (1.7 per cent), that for debentures at 101.1 for March 1956 showed a small rise of 0.4 per cent, as against a decline of 0.8 per cent in the previous year.

Over the year, yields tended to harden all-round, the rise being more marked in variable yield industrial securities. While the all-India yield* on debentures and preference shares increased slightly from 3.82 to 3.84 per cent and from 5.25 to 5.27 per cent, respectively, that on variable dividend securities went up from 4.88 to 5.56 per cent (*vide* Statement 45). Although on account of somewhat different coverage, the indices of prices and yields compiled by the Reserve Bank are not quite comparable, it is interesting to note that according to these indices both prices and yields of equities in general went up during the year, indicating distribution of higher dividends. Among individual groups, yields on plantations, jute, paper and minings and oils recorded marked increases which, in the case of the last two groups, were accompanied by substantial price increases.

Capital Issues.—The brisk activity in the new issue market, witnessed during the preceding year, continued during 1955† and the response to a majority of the issues was favourable. Among the important issues of the year, mention may be made of the ordinary shares of the Industrial Credit and Investment Corporation of India for Rs. 3.5 crores, the 5¼ per cent debentures, 1966-70 of the Caltex

*The yields referred to here are free of income-tax.

† Information regarding capital issues is inadequate, as the data published by the Controller of Capital Issues relate only to amounts sanctioned, while the data for amounts actually issued, published in financial journals, relate only to the more important issues floated in the market.

Oil Refinery (India) for Rs. 2 crores, the 5½ per cent debentures, 1965-70 of the National Rayon Corporation for Rs. 1.5 crores, the 6 per cent preference and ordinary shares of the West Coast Paper Mills for Rs. 60 lakhs and Rs. 1 crore, respectively, and the 5 per cent debentures, 1960-65 of the Tata Locomotive and Engineering Company for Rs. 1.5 crores. Other large issues of Rs. 1 crore and above were the 5¼ per cent debentures, 1962-66 of the Delhi Cloth and General Mills, the 5½ per cent cumulative preference shares, 1965 of the Jiyajeerao Cotton Mills and the ordinary shares of the Rohtas Industries and the Sirpur Paper Mills.

As regards the working of the Capital Issues Control, the total amount of issues sanctioned increased from Rs. 111 crores in 1954 to Rs. 125 crores in 1955, the highest since 1948. At the same time, there was a proportionately larger rise in the total amount asked for in respect of applications decided, from Rs. 117 crores to Rs. 151 crores. Consequently, the percentage of the amount sanctioned to the amount asked for declined from 95 to 83 (*vide* Statement 48). During 1955, industrial issues, which were sanctioned Rs. 98 crores, continued to predominate over non-industrial issues which were sanctioned Rs. 28 crores. Industry-wise, the largest amounts were sanctioned in respect of water transport (Rs. 19 crores), rayon manufacture (Rs. 13 crores) and petroleum refineries (Rs. 12 crores). These were followed by electricity (Rs. 9 crores) and cotton spinning and weaving mills and cement (Rs. 8 crores each).

While the amount sanctioned for *initial* issues (i.e. of new companies) declined from Rs. 58 crores in 1954 to Rs. 47 crores in 1955, that for *further* issues (i.e. of existing companies) rose from Rs. 53 crores to Rs. 78 crores, or over three-fifths of the total amount sanctioned. On the other hand, the amount sanctioned for debentures declined from Rs. 20 crores to Rs. 17 crores, and that for bonus issues from Rs. 10 crores to Rs. 6 crores; the decline in the latter was mainly due to the withholding of sanction by the Government of India during the first half of 1955, pending consideration of the recommendations of the Taxation Enquiry Commission in regard to taxation of bonus issues. Sanction for bonus issues were resumed in the second half of the year, without prejudice to the right of Government to impose a tax on them with retrospective effect. The Budget for 1956-57 levied an extra super-tax on companies at the rate of 2 annas in the rupee on the face value of bonus shares issued by them during the previous year; issues of bonus shares out of share premia will, however, not be subject to the tax.

There was a significant shift during the year from ordinary shares and debentures to preference shares and miscellaneous issues (loans* etc.) for both initial and further issues taken together. Thus, ordinary shares declined from Rs. 77 crores in 1954 to Rs. 57 crores in 1955 and debentures from Rs. 20 crores to Rs. 17 crores,

* Loans raised by companies by creating a charge or lien on the assets of their property.

while preference shares rose from Rs. 8 crores to Rs. 24 crores and miscellaneous issues from Rs. 6 crores to Rs. 27 crores.

Over two-thirds of the total amount of the issues sanctioned during 1955 was in respect of companies in Bombay and West Bengal, which were sanctioned Rs. 57 crores and Rs. 31 crores, respectively, as compared to Rs. 64 crores and Rs. 14 crores, respectively, in 1954.

As regards foreign participation, non-residents were sanctioned Rs. 22.5 crores in respect of 123 companies in 1955, as against Rs. 29 crores in respect of 108 companies in 1954. The share of residents in the U. K. fell from Rs. 26 crores in 1954 to Rs. 7 crores in 1955, while that of residents in the U.S.A. rose from Rs. 1 crore to Rs. 5 crores. Out of the total sanctions, 20 initial issues accounted for Rs. 7 crores, 43 further new issues for Rs. 14.4 crores and 60 bonus issues for Rs. 1 crore.

A development during the year was the enactment in February 1956 of a bill to extend indefinitely the Capital Issues (Continuance of Control) Act, 1947, which earlier had been amended in February 1952 to extend its operation by four years upto the end of March 1956. As this Act had to be extended several times in the past and as in the context of our Five Year Plans it was not possible to foresee at present when the need for the regulatory provisions contained in it would disappear, it was decided to continue this Act for an indefinite period.

The working of the various special financial institutions may now be referred to briefly.

Industrial Finance Corporation of India.—The year under review witnessed a marked increase in the activity of the Industrial Finance Corporation of India. The Corporation sanctioned loans aggregating Rs. 13.39 crores to 41 industrial concerns, as compared to loans amounting to Rs. 7.08 crores sanctioned to 23 concerns in 1954-55. The principal borrowing industries were sugar, chemicals, paper, cotton textile and cement, which were sanctioned between Rs. 1 crore and Rs. 5 crores each. While most of the loans were granted to public limited companies, loans aggregating Rs. 3.30 crores were sanctioned to 8 sugar co-operatives. Since its inception in July 1948 upto March 31, 1956, the Corporation sanctioned loans for Rs. 38.60 crores, of which Rs. 16.24 crores were actually disbursed. The outstanding loans and advances increased further from Rs. 12.78 crores on March 25, 1955 to Rs. 14.01 crores on March 29, 1956 and constituted over 95 per cent of the total assets. The net increase in outstanding loans and advances during the five years 1951-56 amounted to Rs. 8.80 crores (*vide* Statement 49).

The Industrial Finance Corporation Act, 1948 and the State Financial Corporations Act, 1951 were amended by the Industrial and State Financial Corporations (Amendment) Act, 1955, which came into force on September 18, 1955. In the case

of the Industrial Finance Corporation of India, the amending Act provided, among other things, for a 'Central Committee' instead of an Executive Committee of the Board of Directors, and the appointment of a stipendiary Chairman to be assisted by a General Manager in place of the honorary Chairman and a paid whole-time Managing Director. These amendments were made in pursuance of the recommendations of the Industrial Finance Corporation Enquiry Committee. Among the other important amendments, mention may be made of the provisions for (i) the grant of right to the Corporation to borrow from the Central Government, and to lease any property pledged or mortgaged to the Corporation and (ii) the removal, with the permission of the Central Government, of the seven-year limit in respect of the period upto which the Corporation may hold any stocks, shares, bonds or debentures in fulfilment of its underwriting liabilities. The amending Act also enabled industrial concerns, formed with the object of engaging in the manufacture or processing of goods, to become eligible for financial assistance even before they start production.

State Financial Corporations.—During the year under review, three more State Financial Corporations were established, in Madhya Bharat, Andhra and Orissa, thus bringing the total number of State Financial Corporations so far established to thirteen. The Mysore Government have also decided to set up a Financial Corporation. Of the three Corporations established during the year, those in Madhya Bharat and Andhra have already started functioning, while the one in Orissa was only formally established and had not issued capital at the end of 1955-56. Particulars relating to the date of establishment, capital structure and allocation of issued capital to the various categories of shareholders of the Corporations established during the year are given below. The Reserve Bank's share in the issued capital of the State Financial Corporations established so far has varied between 10 and 20 per cent.

(Lakhs of Rupees)

Name of the Corporation	Date of Establishment	Authorised Capital	Issued Capital	Distribution of Issued Capital			
				State Govt.	Reserve Bank of India	Financial Institutions	Others
Madhya Bharat Financial Corporation ..	June 30, 1955	2,00	1,00	36	15	24	25
Andhra State Financial Corporation	Nov. 3, 1955	2,00	50	20	10	15	5
Total for Twelve Corporations*		25,00	10,50	3,97	1,65	3,98	90

*Excluding the Orissa State Financial Corporation, which had not issued capital at the end of 1955-56.

During 1955-56, the activities of State Financial Corporations recorded an expansion; thus, both the number of applications and amounts sanctioned were considerably larger than in the previous year (*vide* Statement 50). It is interesting to note that, except the Hyderabad State Financial Corporation, all the other Corporations showed appreciable increases in the amounts of loans sanctioned as compared to 1954-55. Of the total amount of Rs. 3.03 crores of loans sanctioned, Rs. 1.54 crores were actually disbursed during the year, the total amount outstanding rising from Rs. 1.22 crores at the end of March 1955 to Rs. 2.68 crores* at the end of March 1956. Two of the Corporations also subscribed for debentures aggregating Rs. 13.75 lakhs.

In November 1955, a second conference of the representatives of the State Financial Corporations was held under the auspices of the Reserve Bank. The Conference discussed the question of co-ordination between the State Financial Corporations and other agencies in providing financial assistance to small-scale industries and also problems pertaining to the internal working of the State Financial Corporations, e.g., the formula for grant of loans for working capital, security for loans, standardisation of the form of balance sheets etc. With regard to the demarcation of activities between the State Financial Corporations and the State Governments, it was generally agreed that the Corporations might not be in a position to deal with applications for loans of relatively small amounts and, therefore, a minimum limit might be fixed below which financial assistance might be provided by the State Governments through Departmental agencies.

National Industrial Development Corporation.—During 1955, the Government of India approved a number of projects of industrial production to be undertaken by the National Industrial Development Corporation—a wholly Government owned institution established in October 1954†. These included steel foundries, forges and fabrication of steel structurals, intermediates for dyestuffs, wood pulp, carbon black, sulphur from pyrites, printing machinery, air compressors and fractional horse power motors and refractories. Detailed investigations regarding these projects were in progress in collaboration with foreign firms and experts where necessary. It was also decided to use the Corporation as Government's agency for the grant of special loans for the rehabilitation and modernisation of the jute and cotton textile industries and two committees were set up to examine applications from these two industries.

Industrial Credit and Investment Corporation of India.—During the ten months ended December 1955, the Industrial Credit and Investment Corporation of

* Excluding Rs. 8.02 lakhs of outstanding loans transferred from the Madras Industrial Investment Corporation to the Andhra State Financial Corporation.

† See this Report for 1954-55 for details relating to the constitution and functions of the Corporation.

India* agreed to give financial assistance in respect of 11 applications; financial assistance, ranging between Rs. 5 lakhs and Rs. 1 crore each, was made available in the case of 5 of these applications. Out of the 11 applications, 5 involved the underwriting of public issues of ordinary or preference capital, 4 called for direct subscription to ordinary or preference capital and 2 were requests for loans. The industries covered by these applications included the manufacture of paper, electrical equipment, fuel injection equipment, chemicals and equipment for the textile industry. During the period, the Corporation gave considerable attention to the problem of underwriting issues of capital. An important issue underwritten by the Corporation during the period was that of the West Coast Paper Mills, the amount underwritten being Rs. 1 crore.

At the end of 1955, out of the total assets amounting to Rs. 12.77 crores, Rs. 7 crores were in cash and bank balances (mainly fixed and call loan deposits), about Rs. 5 crores were invested in short-dated Government and Government-guaranteed securities and debentures, Rs. 33 lakhs each in preference shares and ordinary shares of industrial companies and Rs. 10 lakhs in secured loans to industrial companies against mortgages. In March 1955, the Corporation received an interest-free advance of Rs. 7.5 crores from the Government of India.

Financing of Small-Scale Industries.--With a view to liberalising financial assistance to small-scale industries, the Union Government indicated to the State Governments in June 1955 that they would be prepared to place funds at the disposal of the State Governments so as to enable them to liberalise their rules for the grant of loans upto certain limits to small-scale industries under the State-Aid-to-Industries Rules or through the medium of co-operative banks and other agencies. According to this arrangement, the Central Government would make loans to the State Governments in the proportion of 2: 1, i.e., twice the amount of the contribution made by the State Governments from their own sources. Losses would be borne by the Central and State Governments in the proportion of 2:1 in the case of loans to private parties and 3:1 in the case of industrial co-operatives. Loans would be advanced to the borrowers upto 75 per cent of the value of the security offered (which could include land, buildings, plant, machinery and other assets created out of the loans) at 3 per cent (2½ per cent in the case of industrial co-operatives).

The State Bank of India, in consultation with the Reserve Bank of India, has taken the initiative in devising a scheme for co-ordinating effectively the activities of the co-operative credit organisations commercial banks and the State Financial Corporations, in order that the credit requirements of small industries might be adequately met. In this connection, a 'pilot' scheme has been launched at a few

* The Corporation was registered on January 5, 1955 for assisting industrial enterprises in the private sector. See this Report for 1954-55 for details relating to the constitution and functions of the Corporation.

selected centres in the three circles of the State Bank. In the light of the experience so gained, a general scheme for the co-ordinated provision of credit to small-scale industries by the State Bank and the other institutional agencies would be drawn up and extended to various parts of the country.

In the last Report, mention was made of the setting up of the National Small Industries Corporation for the purpose of financing and promoting the development of small industries. The Corporation started working in September 1955 and has introduced a scheme for hire-purchase, on easy instalments, of machinery and equipment needed by small industries. The initial deposit, which is payable in two instalments, is 20-40 per cent and the rate of interest is 4½ per cent.

Nationalisation of Life Insurance.—An important development during the year under review was the nationalisation of life insurance. As a first step in this direction, the Life Insurance (Emergency Provisions) Ordinance was promulgated by the President on January 19, 1956*, vesting in the Government of India, with immediate effect, the management of the life insurance business in India of both Indian and foreign insurers and the foreign life insurance business of Indian insurers. The Ordinance affected the entire business of provident societies, as well as capital redemption and 'annuity certain business.' Under the Ordinance, Government appointed Custodians to manage the business of insurers vesting in Government, pending completion of permanent arrangements as set out in the Life Insurance Corporation Bill (referred to later). For the period during which the management is vested in Government, i.e., until the new statutory Corporation to be appointed by Government takes over the business, compensation will be paid to shareholders on an equitable basis, reflecting the allocations to the shareholders in the past. Government have also since decided that all insurers carrying on life business in India would offer uniform rates and conditions in respect of policies where the risk commenced on or after January 20, 1956.

The Life Insurance Corporation Bill, 1956, which was introduced in the *Lok Sabha* on February 17, 1956, provides for permanent arrangements for the management of life insurance business, by transferring all the assets and liabilities of existing insurance companies carrying on life business in India to a statutory Corporation. This Corporation will have the exclusive right to carry on life insurance business, including capital redemption business, annuity certain business and reinsurance business, in India and outside; the Bill, however, provided for the transfer, if necessary, of the whole or any part of the life insurance business carried on outside India to any other person. No insurance company will be authorised to carry on life insurance business in India after the establishment of the Corporation. All contracts, agreements etc., which were in effect before the establishment of the Life Insurance Corporation

* The Ordinance was replaced by the Life Insurance (Emergency Provisions) Act, which received the assent of the President on March 21, 1956.

and which have been transferred to it, will remain in full force. The Bill will not apply to the Post Office Life Insurance Fund and to existing compulsory life insurance schemes for Government employees. The Life Insurance Corporation will have an initial capital of Rs. 5 crores, which will be provided by Government. The Corporation will act, as far as possible, on business principles and will be guided by directions issued by Government on matters of policy involving public interest. The general superintendence and direction of the affairs and the business of the Corporation will be entrusted to an Executive Committee, which may have a whole-time managing director. Zonal offices of the Corporation will be established at Bombay, Calcutta, Delhi and Madras and may be established at other places with the previous approval of Government. The Bill sets out the principles governing compensation payable by the Corporation to the life insurance companies and provides for the constitution of a tribunal, consisting of three members appointed by Government, with a judge or an ex-judge of a High Court or the Supreme Court as its Chairman, for settlement of disputes arising in the process of nationalisation, including disputes concerning compensation.

The Life Insurance Corporation Bill was referred to a Select Committee of Parliament on March 20, 1956. In its Report presented to Parliament on May 18, the Select Committee suggested, among other things, that the transfer by the Corporation of insurance business outside India, if such a course is decided upon, may not be all to one person. Among the other changes suggested by the Select Committee were (i) inclusion of a specific provision in the Bill for the constitution of an Investment Committee for advising the Corporation on matters relating to investment, (2) empowering the Corporation to have more than one managing director and (3) five zones for the Corporation instead of four as provided for in the Bill. The Bill, as reported by the Select Committee, was passed, with certain minor amendments, by both the Houses of Parliament in May and came into force on July 1, 1956.

VI. THE BULLION MARKET

General.—With the continuing ban on imports and exports of gold and silver, the Indian bullion market remained virtually isolated from world markets during the year. Bullion prices in India were, therefore, governed mainly by domestic factors.

Abroad, in the free gold markets, the main development was the fall, for the first time since the War, in prices of gold to levels lower than the official parity of $35 per ounce for a considerable period of time. This trend occurred despite a sizeable rise during 1955 in private hoarding demand, at over 9 million ozs.† owing mainly to the resurgence of inflation. There was a sizeable increase in supplies, world gold production in 1955 being estimated higher at 27.3 million ozs. as against 25.9 million ozs. in 1954. There were also large Russian sales of gold, although the greater part of such sales took place in the early half of 1955. The main factor for the easy trend in free gold prices, however, would appear to have been the shortage of dollars in the case of countries whose central banks had hitherto been regular buyers of gold. Fluctuation in free gold prices in 1955 were confined to a narrow range, this trend being aided by the active functioning of the London gold market which had its first full year of operation since 1938.

In contrast, the international silver market ruled firm during the year. Rigid price stability, which had characterised trading in the preceding two years, gave place to a general uptrend, reflecting mainly the impact of the continuing high level of demand for the metal, as against a fall in supplies. World silver production in 1955 is estimated lower at 203.7 million ozs. as against 208.7 million ozs. in 1954 and 216.4 million ozs. in 1953. Estimated world consumption of silver in 1955, however, continued to be more or less maintained around the preceding year's level of 218 million ozs. ; a substantial rise (27 million ozs.) in consumption on account of arts and in industries was offset by a decline (28 million ozs.) in the consumption for coinage purposes. The New York price of foreign silver, which had closed at 88½ cents per oz. on March 31, 1955, showed an almost continuous rise, touching 92 cents by October 11—the highest recorded price in New York for 35 years—and closed for the year at 91¼ cents—a net rise over the year of 2¾ cents. The London price more or less followed the trend of the New York market.

In the Bombay market, prices of* both metals showed substantial increases over the year, despite wide fluctuations both ways. Gold closed for the year Rs. 13 as. 7 higher at Rs. 105 as. 14 and silver Rs. 15 as. 10 higher at Rs. 181 as. 5. It would appear that the rise was due to both an increase in demand and a decline in supplies (in the case of gold). Rising incomes as a result of the acceleration of the tempo of economic activity in the country would appear to have been the primary factor in

† As estimated by Messrs. Samuel Montagu and Co. Ltd.

*Throughout this chapter, only the trends in 'ready' prices have been reviewed, since 'ready' and 'forward' rates generally showed parallel movements.

the increased demand. The uptrend in commodity prices since early June 1955, the prospects of further rapid growth of the economy, the possibility of large-scale deficit financing in the public sector and talks of the imposition of a tax on total wealth further contributed to the bullish trend of the bullion market. In gold, the anti-smuggling drive of the authorities seems to have been more effective; the political developments in Goa also discouraged smuggling activity. In silver, owing to higher consumption, the floating stocks in the country grew smaller. Towards the close of the year, however, some silver started coming from Tibet, in the form of coins, as a result of the issue of licences by Government to those who had export trade with Tibet. On May 3, 1956, however, with a view to facilitating the Indo-Tibetan trade, the Government of India announced their decision to license freely the import from Tibet of any silver coin current in the Tibet region of China, and also raised the import duty on silver bullion and coins from 4 1/5 annas per oz. to 8 2/5 annas per oz. (*i.e.* from Rs. 9 as. 13½ to Rs. 19 as. 11 per 100 tolas).

The domestic gold production recorded a decline, in contrast to the rise in 1954; the production in the three years 1953 to 1955 amounted to 223,376 ozs. (valued at Rs. 5.07 crores), 239,168 ozs. (valued at Rs. 5.62 crores) and 211,462 ozs. (valued at Rs. 5.20 crores), respectively, the 1955 output being the lowest since 1950. The fall in production was due, in part, to closure of operations owing to labour troubles, and in part to the low grade of the ore crushed. Silver production during the first nine months of 1955 amounted to 111,003 ozs. valued at Rs. 4.81 lakhs as against 161,185 ozs. valued at Rs. 6.68 lakhs in 1954. The price trends in the two metals over the year are discussed below separately and in some detail.

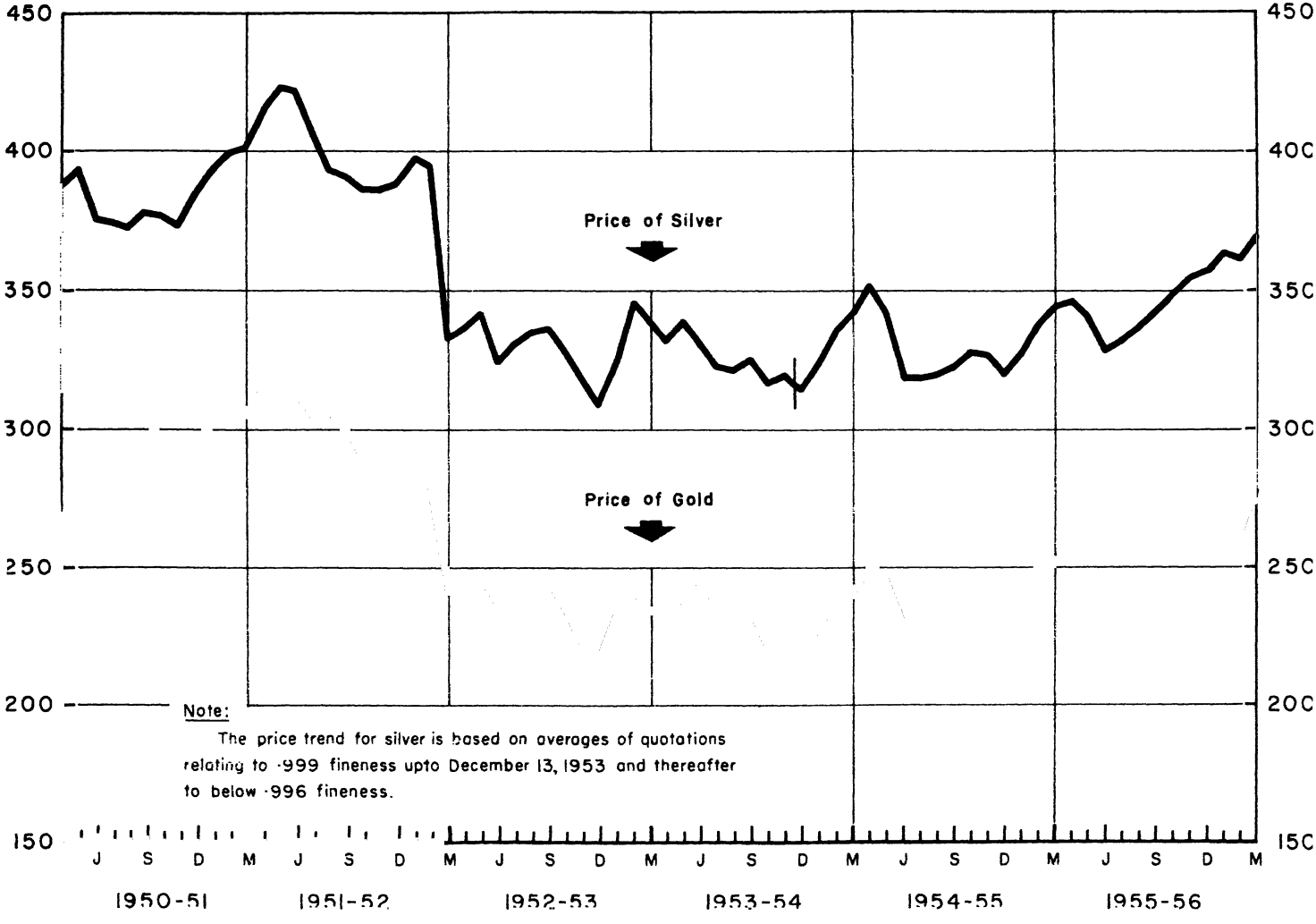
Gold Prices.—In the gold section, the easy feeling noticed towards the close of 1954-55 gave place to a distinct firm tone in April. Operators derived strength from the sustained demand in the spot section, a contributory factor being the passing, by the *Lok Sabha*, on April 18, of the Sea Customs Amendment Act which provided, among other things, for the shifting of the burden of proof that the goods are not smuggled, to the persons from whom the goods are seized. The ready rate advanced almost continuously from Rs. 92 as. 8 on March 31 to Rs. 98 as. 14 by April 30 (*vide* Statement 51). The first half of May witnessed a sharp break, the rate slumping to the lowest level of the year at Rs. 89 as. 7 on May 14 (*vide* Graph 13). This was attributed to increased arrivals and easy advices from upcountry centres. Following renewed reports of large offtake, a smart recovery ensued, the quotation recovering to Rs. 94 as. 15 by June 15. Thereafter, it moved within a narrow range of Rs. 92 as. 10 and Rs. 96 as. 8 upto the first half of November, but firmed up to Rs. 98 as. 9 by the 21st of that month. The general firmness during this period was attributed to reports of a broadening in demand relatively to arrivals and seizure of contraband gold and increased vigilance of customs authorities in checking smuggling. The quotation, however, reacted sharply to Rs. 92 as. 11 by December 5, following reported heavy arrivals, but this proved temporary and a recovery

soon set in, which became particularly pronounced in February-March 1956. The uptrend was mainly the result of brisk demand in the spot section and anticipations of a further increase in the demand and of a rise in prices in view of rising incomes and the likelihood of an advance in commodity prices and of the levy of a tax on total wealth and fixation of ceilings on net incomes. The ready rate crossed on February 27 the Rs. 100 mark for the first time since February 1952 and, after remaining quiet in the early half of March, again firmed up in the latter half, the bullish sentiment being aided by (i) sustained spot demand, (ii) encouraging share market advices and (iii) Indo-Pakistan border incidents. The rate rose to Rs. 107 anna 1, the highest level of the year by March 22 and closed on the 31st at Rs. 105 as. 14—a net rise of Rs. 13 as. 7 over the year or 15 per cent. The annual average for 1955-56 at Rs. 95 as. 14 also showed a further substantial rise of Rs. 6 as. 11 over the 1954-55 average. During the greater part of the year, spot gold continued to command a premium ranging upto Rs. 3 as. 10 over the forward, while the maximum discount was only 10 annas.

Silver Prices.—The movements of silver prices were more or less similar to those of gold and the causal factors were about the same. This section of the bullion market remained quiet in the first half of April, but staged a smart revival in the latter half. The bulls who virtually controlled the floating stocks were aided in their efforts by the continued offtake in the spot section. The ready rate moved up from Rs. 165 as. 11 on March 31 to Rs. 171 as. 2 by April 26 (*vide* Statement 53). A distinctly bearish tendency set in thereafter, on easy upcountry advices and reports of heavy arrivals. The ready rate fell to Rs. 160 as. 11 by May 14 and, after a temporary spurt to Rs. 165 as. 9 by May 26, slipped back again to Rs. 154 as. 12 by June 18. With encouraging upcountry advices and an improvement in offtake at the lower levels, the rate recovered to Rs. 164 as. 12 by July 6, but declined again to Rs. 158 as. 5 by the 9th. Thereafter, till about the end of September, a generally firm tone prevailed and, despite slight temporary set-backs, the rate rose to Rs. 170 by September 29, reflecting mainly persistent buying. After moving between Rs. 170 as. 4 and Rs. 166 as. 4 during October, the price soared to Rs. 176 as. 10 by November 28. Sentiment was influenced by the booming conditions in the share market, while the bulls were also optimistic in regard to the emergence, sooner than later, of the usual busy season demand for the precious metals. The rate, however, fell to Rs. 170 as. 2 by December 5 following heavy arrivals but later, with a slowing down in the pace of arrivals and an improvement in off-take, a recovery set in, which became more pronounced in January. This was attributed mainly to anticipations of a substantial rise in the demand for bullion in the coming months, partly owing to the high prices of agricultural commodities. It rose to Rs. 178 as. 4 by January 23 and, after a temporary decline to Rs. 172 as. 9 in early February, moved up again despite reports of inflow of Tibetan silver coins, to Rs. 183 as. 13, the highest level of the

INDICES OF BULLION (SPOT) PRICES

Base: June-August 1939=100



Note:

The price trend for silver is based on averages of quotations relating to ·999 fineness upto December 13, 1953 and thereafter to below ·996 fineness.

year, by March 28. The rate closed for the year at Rs. 181 as. 5—a net rise of Rs. 15 as. 10 or 9 per cent over the year. The average price for 1955-56 also worked out appreciably higher at Rs. 168 as. 12 as against Rs. 159 as. 14 last year. The premium of the ready over the forward ranged upto Rs. 5 as. 8, while the maximum discount was Re. 1 as. 12.

During the five-year period 1951-56, bullion prices, like commodity prices in general, recorded a net decline, of about 8-9 per cent. The average price of ready gold declined from Rs. 113 as. 4 in March 1951 to Rs. 103 as. 8 in March 1956, the corresponding quotations of silver being Rs. 194 as. 7 and Rs. 178 as. 11. After a sharp break in prices in March 1952, bullion prices were fairly steady during the next three years; but in 1955-56 there was a distinct uptrend.

Futures Trading in Bullion.—The working of the futures market in Bombay during the year, under the auspices of the Bombay Bullion Association,* was much less smooth than in the preceding three years, necessitating the adoption of extra-ordinary measures. These developments are briefly recorded below. Unhealthy conditions, arising mainly from bull activity, were reflected in a widening in June of the backwardation charges to Rs. 9 in silver and over Rs. 3 in gold. In July, the market continued to be dominated by bulls. An informal meeting of members was therefore called on July 12 at which the main suggestion made was to reduce the minimum attendance necessary for balloting for emergencies and to close the market pending Government approval of this amendment. The Bombay Government granted permission for closing the market upto July 19 and also reduced the number of votes required for declaration of ' a state of emergency '. On July 16, the Board passed a resolution declaring ' a state of emergency '. This was ratified by the General Body and finally approved by the Bombay Government on the 21st. Thereupon, in terms of the emergency bye-laws, the Board fixed the ceiling and floor prices for *Shravan* delivery, respectively, at Rs. 92 as. 4 and Rs. 90 as. 4 for gold and Rs. 159 as. 4 and Rs. 155 as. 4 for silver; members were also warned to refrain from entering into fresh business. The market was opened on July 22. The squaring-up of outstanding business was permitted upto August 4, and outstanding business in respect of which both delivery and payment was in default was squared up at rates fixed by two arbitrators appointed by the Board. The crisis was thus resolved through direct negotiations between bull and bear interests. Forward trading remained suspended until October 24, when it was resumed under a new contract under certain amendments made by the Government of Bombay. These included three new bye-laws, namely, (i) 30A providing that, under no circumstances, a non-member shall enjoy, directly or indirectly, any rights, privileges or facilities more than those available to a member, (ii) 72A and (iii) 88A providing that, during the last seven days of a contract period, no fresh business will be permitted in the current contract except

* This is the only Association recognised by the Bombay Government under the Bombay Forward Contracts Control Act, 1947, for purposes of futures trading in bullion.

transactions of only squaring-up nature. At the same time, bye-law 141 was also amended so as to provide that the prices realised in an auction should not exceed the highest closing level touched during the currency of the contract and, if the available metal falls short of the outstanding transactions, the Board shall suspend the auction for 48 hours and make a full report to Government regarding the conditions in the market and Government may extend the period of auction for such period or periods as it deems necessary. The market has since functioned fairly smoothly.

The volume of futures business in both gold and silver showed a sharp decline during the year. The turnover aggregated 48 million tolas in gold and 1.4 million bars in silver, as against 88 million tolas and 3.4 million bars in 1954-55. While these figures are not strictly comparable as the forward market remained closed for about 3 months during 1955-56, there was, no doubt, a substantial decline in the volume of business.

During the year, the Forward Markets Commission took the first step towards bringing under their purview the futures trading in bullion. The Commission issued, on February 16, 1956 a Press Note stating that they were examining the utility of forward trading in bullion, as serious doubts had been raised with respect to the need for such trading in view of the small domestic output of bullion and the ban on private imports. At the same time, the Commission also invited applications from Bullion Associations for the purpose of recognition under Sections 5 and 6 of the Forward Contracts (Regulation) Act, 1952, without prejudice to any conclusion that the Commission might reach on the question of permitting forward trading in bullion.

VII. PUBLIC FINANCE

General.—During 1955-56, budgets of the Central and State Governments together showed a larger deficit than in 1954-55. In fact, the deficit in 1955-56 has been the highest in the First Plan period, which is in keeping with the accelerated tempo of development expenditure as the Plan drew to a close. The overall deficit of the Central Government may be measured by the aggregate of the increase in its floating debt held by the Reserve Bank and the decrease in its cash balances*. During 1955-56, according to *revised estimates*, the floating debt was expected to increase by Rs. 240 crores but the cash balance was also expected to go up by Rs. 18 crores, the overall deficit accordingly being Rs. 222 crores. However, the actual deficit in 1955-56 has been smaller. Actual receipts under floating debt have been Rs. 123 crores only, the holdings of the Reserve Bank recording a rise of Rs. 131 crores. The cash balance has, on the other hand, actually declined by Rs. 38 crores in 1955-56. Taking the change in floating debt and in cash balance together, therefore, the actual deficit of the Central Government was of the order of Rs. 169 crores as against a deficit of Rs. 108.5 crores in 1954-55. In the case of the State Governments, the *revised estimates* for 1955-56 indicated a deficit of Rs. 50 crores for all States together, taking into account the estimated decline in cash balance, as against a surplus of Rs. 14 crores in 1954-55. More recent data indicate a position of surplus in 1955-56 also, in view of a rise of Rs. 12 crores in cash balances of State Governments with the Reserve Bank and at Government Treasuries. On the above basis, the combined deficit of the Central and the State Governments during 1955-56 would have been of the order of Rs. 157 crores, as compared with a deficit of Rs. 95 crores in 1954-55.

During the period of the First Plan as a whole, the budgetary deficit of the Central Government would have been around Rs. 400 crores, while in the case of the States there was probably a small surplus. The impact of increasing development expenditure of the States was thus transmitted to the Central Government, whose scale of assistance to the States, in the form of grants and loans and larger allocation of centrally collected taxes, has been rising substantially. The aggregate deficit of the order of Rs. 400 crores may be seen against a total Plan outlay of somewhat below Rs. 2,000 crores, which represents a shortfall of Rs. 350-400 crores as compared with earlier estimates. Plan outlay in the first three years amounted, respectively, to Rs. 259 crores, Rs. 273 crores and Rs. 340 crores or a total of Rs. 872

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* This concept of budgetary deficit has been adopted mainly with reference to the criterion of its expansionary impact on money supply with the public. The definition given above should be a reasonably reliable measure of budgetary deficit on the assumption that the normal practice for the Government is not to rely on the central bank for subscription to issues of Government loans and that changes in the security portfolio of the Reserve Bank are governed primarily by considerations of monetary policy. During the First Plan period as a whole, while the Reserve Bank's holdings of floating debt increased by Rs. 213 crores, its portfolio of marketable Government securities declined by about Rs. 70 crores.

crores. The subsequent two years of the Plan witnessed a considerable stepping up of the development expenditure which is estimated to have been around Rs. 475 crores and Rs. 600 crores, respectively.

The borrowing programme of the Government in the First Plan period was more than fulfilled. Net market borrowings of the Centre and States exceeded the Plan target of Rs. 115 crores by Rs. 62 crores. Collections from small savings and other items of unfunded debt also exceeded the Plan estimate of Rs. 270 crores by about Rs. 35 crores. Current revenues, however, have shown only a small increase. While the combined disbursements of Central and State Governments on revenue and capital account have risen by nearly Rs. 450 crores between 1951-52 and 1955-56 (Revised Estimates) to a total of about Rs. 1,550 crores in 1955-56, total current revenue has increased by Rs. 45 crores to over Rs. 900 crores.

The budgets of the Central Government and of the States for 1956-57 reflect the considerably larger size of the Second Plan. For the States, fresh estimates would have to be made, in some cases, in the latter half of the year when the reorganisation of the States takes effect. With total disbursements of the Centre and the States higher by about Rs. 330 crores than in 1955-56 (R. E.), at Rs. 1,880 crores, the overall deficit for 1956-57 is estimated at Rs. 405 crores (Centre Rs. 355 crores; States Rs. 50 crores, not taking into account sales of Rs. 44 crores from the cash balance investment account). New taxation proposals of the Centre and of the States are expected to bring net revenue of Rs. 35 crores and Rs. 11 crores, respectively. The Centre has made provision for market borrowing of Rs. 100 crores in 1956-57, and twelve States have made similar provision for an aggregate of Rs. 50 crores.

A Finance Commission has been appointed under Article 280 (1) of the Constitution for a period of fifteen months commencing from June 1, 1956. This is the Second Finance Commission, the first one having submitted its Report on December 31, 1952. The Commission will make recommendations regarding the distribution of divisible Central taxes, the principles which should govern the grants-in-aid from the Centre to the States and the continuance or modification of the terms of agreements entered into by the Central Government with Part B States. The Commission will also go into the following matters (1) the sums which may be prescribed as grants-in-aid to Assam, Bihar, Orissa and West Bengal in lieu of assignment of a share of the net proceeds of export duty on jute and jute products, (2) the assistance by way of grants-in-aid under Article 275 to such States as are in need of assistance having regard to the requirements of the Second Plan and the efforts made by the States themselves to raise additional revenue from sources available to them, (3) the method of distribution of the Estate Duty among States and (4) the terms which can appropriately be fixed for different kinds of Central loans to the States.

A. BUDGETS

Union Government

Revenue Account

General.—The trends in revenue and expenditure of the Central Government since 1951-52 are shown in the Table below (see also Statement 58 and Graph 14).

(Crores of Rupees)

	1951-52	1952-53	1953-54	1954-55	1955-56 (R.E.)*	1951-56 Total	1956-57 (B.E.)*
Revenue ..	509.5	429.6	409.8	449.9	494.6	2293.4	484.4†
Expenditure ..	381.4	390.7	401.3	416.4	482.3	2072.1	536.2
Surplus (+) or deficit (—) ..	+128.1	+ 38.9	+8.5	+ 33.5	+ 12.3	+221.3	— 51.8†

†Before tax changes. After tax changes, revenue amounts to Rs. 518.2 crores and deficit to Rs. 18.0 crores.

* R.E.—Revised Estimates.

* B.E.—Budget Estimates.

1954-55 (Accounts).—The final outturn for 1954-55 proved to be a surplus of Rs. 33.5 crores as against a deficit of Rs. 5.0 crores anticipated in the revised estimates; while revenue improved by about Rs. 5 crores, expenditure was lower by Rs. 33 crores, the reduction in expenditure being largely under defence (Rs. 11.4 crores) and developmental services (Rs. 9.1 crores).

1955-56 (Revised Estimates).—The revised estimates for 1955-56 place revenue Rs. 20 crores higher and expenditure Rs. 10 crores lower than the budget estimates; the deficit of Rs. 17.4 crores in the budget estimates thus turns into a surplus of Rs. 12.3 crores. The improvement in revenue is mainly under excise duties (Rs. 8 crores), an increase of Rs. 13 crores in import duties being offset by a decline in export duties due to the abolition of export duties on jute, black pepper, coffee, cottonseed oil, and iron and steel and manufactures thereof. The reduction in expenditure under defence (Rs. 17.6 crores) and developmental services (Rs. 7.9 crores) is partly offset by the increase of Rs. 17 crores under miscellaneous.

1956-57 (Budget Estimates).—The budget estimates for 1956-57 place expenditure substantially higher at Rs. 536 crores than the revised estimate of Rs. 482 crores for 1955-56. Since revenue at existing tax levels would be lower by Rs. 10 crores, at Rs. 484 crores, the deficit for 1956-57 is placed at Rs. 52 crores. The fall in revenue is mainly under customs duties. The bulk of the increase in expenditure is accounted for by developmental services (Rs. 30 crores) and defence services (Rs. 19 crores).

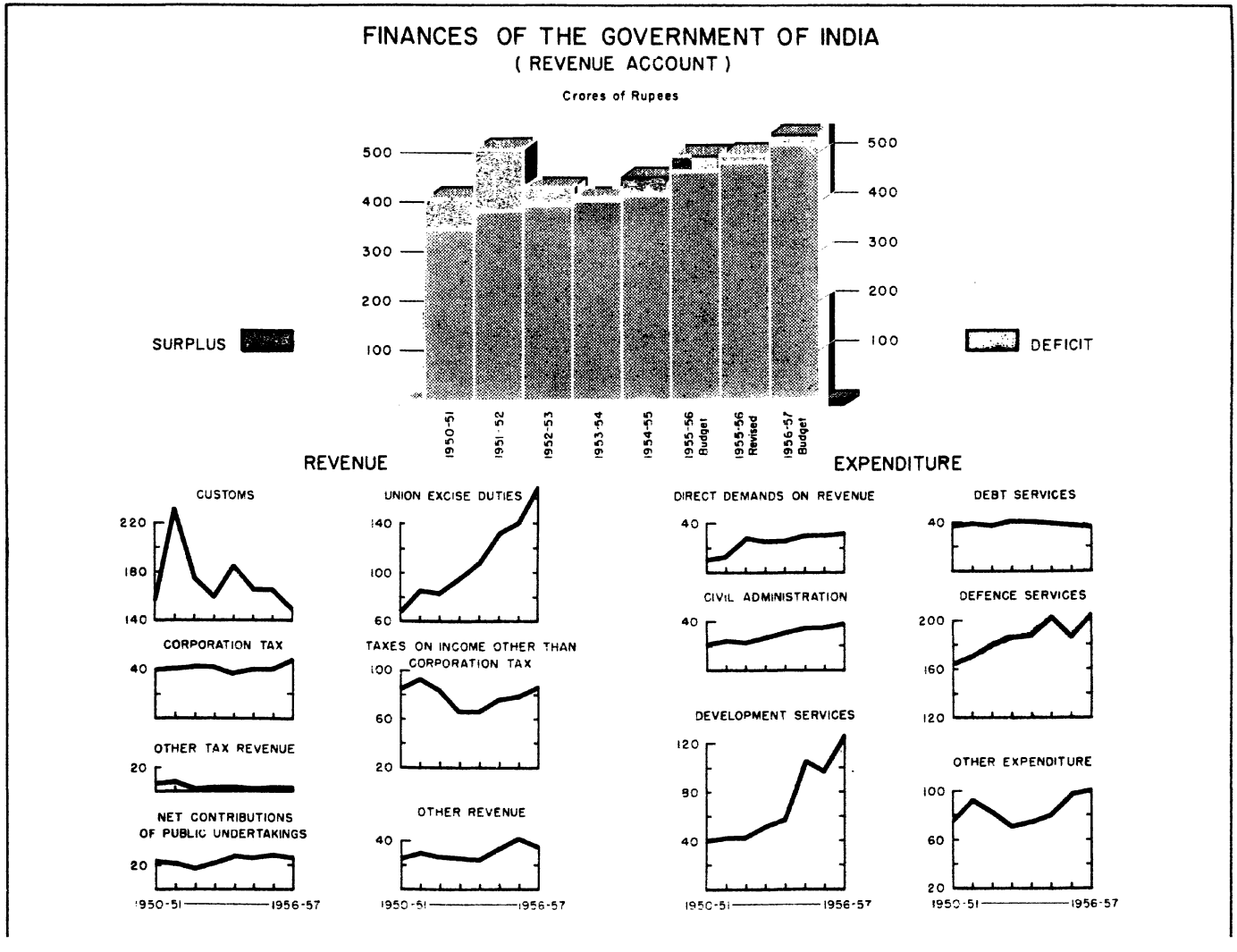
To cover the revenue deficit, tax proposals involving changes in both direct and indirect taxes were made, estimated to yield to the Centre an additional revenue of Rs. 34.15 crores. Subsequently, certain minor concessions mainly in respect of corporation taxes and tax on registered firms and their partners were given, the revenue effect of which is not expected to be more than Rs. 50 lakhs (including Rs. 14 lakhs which would affect States' share). The revenue deficit is now placed at Rs. 18 crores. The tax proposals are as under:—

(a) Changes in Central Excise Duties.—These include (1) increase in rates on all categories of cotton fabrics by 6 pies per sq. yard except on dhoties and sarees of coarse variety, (2) new duty, at Rs. 70 per ton, on non-essential vegetable oils in the manufacture of which power is used, with exemption for 125 tons cleared by manufacturer for home consumption during the financial year, (3) new duties on high-speed diesel oil and vapourising oil at 4 annas per gallon and on other diesel and furnace oils at Rs. 30 and Rs. 15 per ton, respectively, and (4) minor changes in duties on soap, strawboard and art silk fabrics. The net effect of these changes would be an additional revenue of Rs. 25 crores.

(b) Changes in Income-Tax.—These include (1) an upward adjustment of super-tax rates on incomes exceeding Rs. 70,000, raising the combined marginal rate on incomes above Rs. 1,50,000 to 14 annas in the rupee from 13½ annas, i.e., together with the existing surcharge of 5 per cent to 91.9 per cent as compared to 88.6 per cent at present. (2) A graduated tax on registered firms with incomes above Rs. 40,000 at 9 pies in the rupee upto Rs. 75,000, one anna upto Rs. 1,50,000 and 1½ annas over Rs. 1,50,000, with provision for marginal relief. The partners will continue to be assessed to tax on their share of profits but will be given abatement for purposes of income-tax, but not for super-tax, for their proportionate share of tax paid by the firm. (3) Discontinuance of rebate of one anna in the rupee now being given to all companies to which section 23A* does not apply in respect of income-tax on undistributed profits. (4) Levy of a graduated super-tax (in addition to the existing corporation tax) on dividends above 6 per cent of paid-up capital, at 2 annas in the rupee on the dividend amount in excess of 6 per cent but not more than 10 per cent and at 3 annas in the rupee on the excess over 10 per cent. The dividend tax would not apply to companies whose total income does not exceed Rs. 25,000. (5) Levy of an extra company super-tax of 2 annas in the rupee on the face value of bonus shares issued during the previous year. The taxes on excess dividends and bonus shares together are not to exceed an amount calculated at 4 annas in the rupee on the total income of a company. (6) Increase in the penal rate of super-tax payable by investment companies to which section 23A applies, from the existing rate of 4 annas to 8 annas on the whole of their undistributed profits if profits distributed as dividends

* Section 23A of the Income-tax Act applies to all Companies in which the public are not substantially interested and it also lays down the manner in which the tax liability of such companies and their shareholders is to be determined.

GRAPH 14


FINANCES OF THE GOVERNMENT OF INDIA
(REVENUE ACCOUNT)
Crores of Rupees
500
400
300
200
100
SURPLUS
DEFICIT
1950-51
1951-52
1952-53
1953-54
1954-55
1955-56 Budget
1955-56 Revised
1956-57 Budget
REVENUE
EXPENDITURE
CUSTOMS
220
180
140
UNION EXCISE DUTIES
140
100
60
CORPORATION TAX
40
TAXES ON INCOME OTHER THAN CORPORATION TAX
100
60
20
OTHER TAX REVENUE
20
NET CONTRIBUTIONS OF PUBLIC UNDERTAKINGS
20
OTHER REVENUE
40
1950-51
1956-57
DIRECT DEMANDS ON REVENUE
40
DEBT SERVICES
40
CIVIL ADMINISTRATION
40
DEFENCE SERVICES
200
160
120
DEVELOPMENT SERVICES
120
80
40
OTHER EXPENDITURE
100
60
20
1950-51
1956-57

in any year are less than the prescribed minimum. The optional flat rate of super-tax for non-residents is to be restored to 3 annas in the rupee (as it was in 1954-55) from 1 anna that was permitted in 1955-56, and the difference in tax liability between a foreign company operating through a branch and a company operating through an Indian subsidiary which remits the whole of its net profits is to be removed. Initial depreciation allowances given on new buildings, plant and machinery brought into use after March 31, 1956 are discontinued. The tax exemption now given to new industrial undertakings for five years from the commencement of production is available, under existing law, to concerns established before March 31, 1956; the date is to be extended by another five years. The net effect of these changes would be an additional revenue of Rs. 8.20 crores, excluding States' share amounting to Rs. 1.80 crores.

(c) **Other Tax Proposals.**—The changes made in customs duties have no net effect on revenue, the loss in revenue on account of the reduction in export duty on medium tea being offset by a number of minor changes in import duties. Since the postal and telegraph branches of Posts and Telegraphs Department have been working at a loss for some time, registration fee and rates for inland telegrams are raised, to yield an additional revenue of Rs. 95 lakhs. Registration fee is raised from as. 6 per article to as. 8 and on inland telegrams the minimum charge is raised from as. 12 to as. 13 for 'ordinary' and from Re 1 as. 8 to Re 1 as. 10 for 'express'.

(d) **Subsequent Modifications in Tax Proposals.**—On April 17, 1956 minor concessions designed to meet the needs of certain special types of cases were announced. As regards the excess dividends tax, share premia are to be included in the capital base while computing dividends. In the case of companies having taxable and non-taxable income, only that proportion (which will be the proportion of taxable income to total income) of the dividends, bonus issued and capital employed which relates to the taxable income is to be taken into account for purposes of the extra corporation tax. Further, the tax on bonus issues is not to be applied to bonus shares issued out of share premia. Besides these, to encourage the crushing of cotton-seed, the duty on cotton-seed was reduced from six pies to three pies per pound.

Capital Account

The capital account shows small surpluses of Rs. 5.5 crores and Rs. 18 crores in 1955-56 and 1956-57, as compared to a deficit of Rs. 52 crores in 1954-55. These are, however, only formal and, if net receipts under Treasury bills are excluded, the deficits on capital account amount to Rs. 189 crores, Rs. 234 crores and Rs. 338 crores, respectively, for 1954-55, 1955-56 (R.E.) and 1956-57 (B.E.) (*vide* Statement 59). The actual net increase in Treasury bills during 1955-56 was only Rs. 123 crores, as against the revised estimate of Rs. 240 crores. On this basis the deficit on capital account during 1955-56 would be Rs. 117 crores only. The

deficits are largely due to the stepping up of capital outlay, which (excluding State Trading Schemes) has increased from Rs. 104 crores in 1954-55 to Rs. 181 crores in 1955-56 (R.E.) and Rs. 307 crores in 1956-57.

In 1955-56, the Central Government issued a market loan (3½% National Plan Bonds, 1965—Second Series) for Rs. 100 crores. The total subscriptions amounted to Rs. 104 crores, Rs. 46 crores by cash and Rs. 58 crores by conversion of the maturing 2½% Loan 1955 and 4½% Loan, 1955-60. Allowing for repayments, net market borrowing during the year amounted to Rs. 33 crores.

Capital receipts for 1956-57 are estimated at Rs. 704 crores, inclusive of an internal loan of Rs. 100 crores (which will be *net* market borrowing as no loan is due for repayment), Rs. 70 crores under small savings, and foreign assistance of Rs. 85 crores inclusive of loan assistance of Rs. 28 crores from U.S.A., Rs. 10 crores from the U.S.S.R. and Rs. 1.5 crores from the I.B.R.D.

On the disbursements side, substantial increases are estimated for 1956-57 as compared to 1954-55 and 1955-56 in loans to States and in capital outlay. The most significant increases are in respect of industrial development and railways.

Part A States :

Revenue Account

General.—The consolidated budgetary position of Part A States on revenue account since 1951-52 is shown below (see also Statement 60).

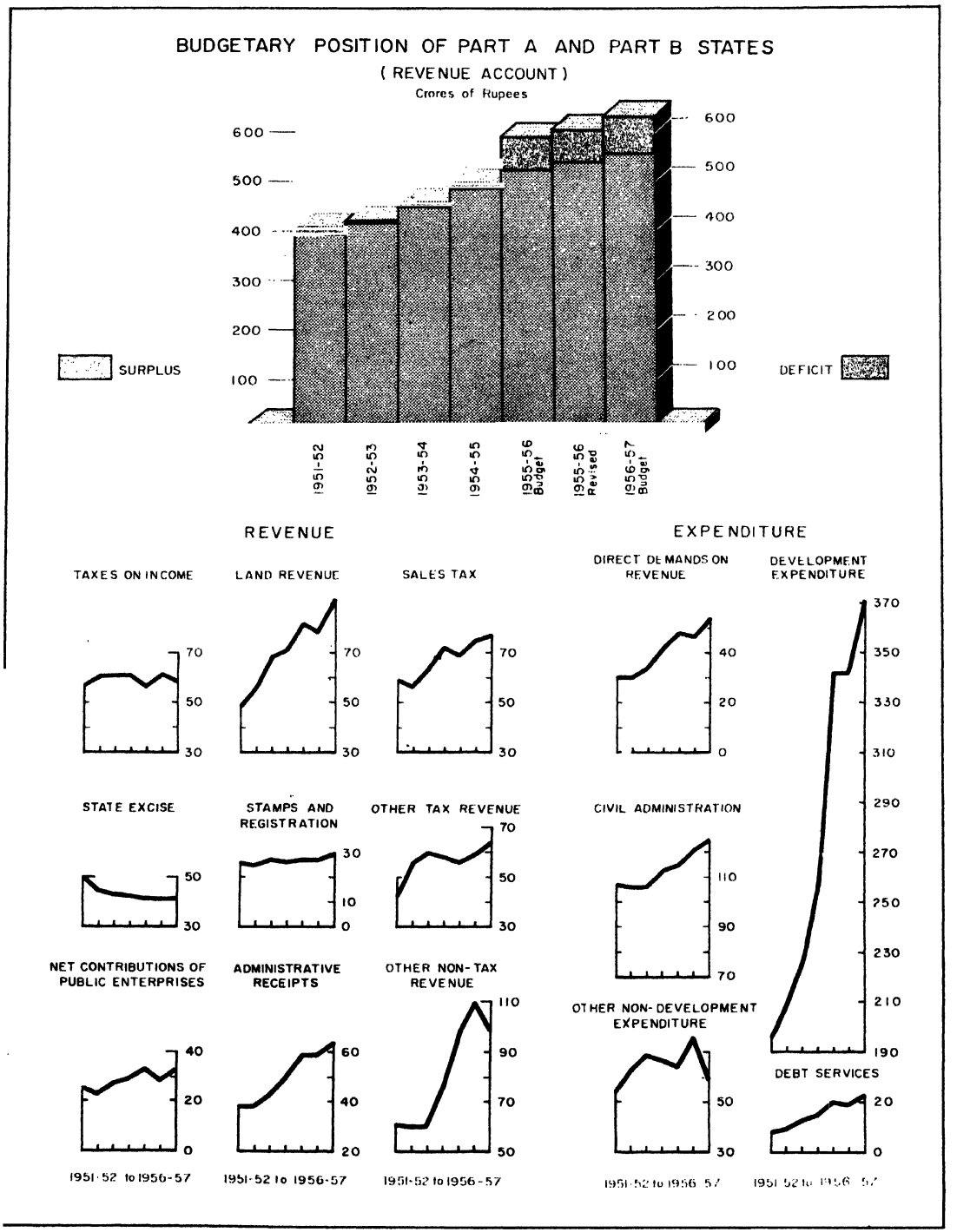
(Crores of Rupees)

	1951-52	1952-53	1953-54	1954-55	1955-56 (R.E.)	Total 1951-56	1956-57 (B.E.)
Revenue ..	304.8	318.2	347.0	368.1	420.8	1758.9	426.1*
Expenditure ..	298.3	318.3	347.1	384.0	471.4	1819.1	488.9
Surplus (+) or deficit (—) ..	+ 6.5	— 0.1	— 0.1	— 15.9	— 50.6	— 60.2	— 62.8
Deficit (—) exclusive of revenue reserve fund transactions ..	— 2.3	— 12.1	— 0.1	— 19.6	— 60.7	— 94.8	— 65.4

* Before tax changes, except in the case of Madras.

Budgets of Part A States show deficits on revenue account in all years during the period 1951-56 except in 1951-52. Aggregate net deficit during the First Plan period, taking into account *revised estimates* for 1955-56, amounts to Rs. 95 crores, part of which being financed through withdrawals from Revenue Reserve

GRAPH 15


BUDGETARY POSITION OF PART A AND PART B STATES
(REVENUE ACCOUNT)
Crores of Rupees
600
500
400
300
200
100
SURPLUS
DEFICIT
1951-52
1952-53
1953-54
1954-55
1955-56 Budget
1955-56 Revised
1956-57 Budget
REVENUE
EXPENDITURE
TAXES ON INCOME
LAND REVENUE
SALES TAX
DIRECT DEMANDS ON REVENUE
DEVELOPMENT EXPENDITURE
STATE EXCISE
STAMPS AND REGISTRATION
OTHER TAX REVENUE
CIVIL ADMINISTRATION
NET CONTRIBUTIONS OF PUBLIC ENTERPRISES
ADMINISTRATIVE RECEIPTS
OTHER NON-TAX REVENUE
OTHER NON-DEVELOPMENT EXPENDITURE
DEBT SERVICES
1951-52 to 1956-57

Funds; the total amount so withdrawn is placed at Rs. 35 crores. In 1955-56, while a significant rise in expenditure has been indicated, revenue does not show a commensurate rise.

1954-55 (Accounts).—1954-55 closed with a deficit of Rs. 16 crores as against an anticipated deficit of Rs. 27 crores in the revised estimates. Revenue was lower by Rs. 8 crores and expenditure by Rs. 19 crores.

1955-56 (Revised Estimates).—Revenue and expenditure were both higher than budget estimates by about Rs. 22 crores, the deficit remaining virtually unaltered at Rs. 51 crores. While both tax and non-tax revenue showed increases, the bulk of the increase in non-tax revenue was accounted for by transfers from revenue reserve funds (Rs. 10.1 crores). On the expenditure side, non-development services accounted for the major part of the rise, mainly under famine relief, the provision made for this item being Rs. 17.5 crores as against Rs. 4.2 crores in the budget estimates.

1956-57 (Budget Estimates).—With revenue higher by Rs. 6 crores and expenditure by Rs. 18 crores over 1955-56, the deficit is substantially higher at Rs. 63 crores. Despite the large deficits, only a few States have made specific proposals for additional taxation, which are estimated to yield an aggregate additional revenue of over Rs. 10 crores.

The tax proposals are as follows:—

	Estimated Yield (Lakhs of Rupees)
ANDHRA	
Sugar-cane cess to be raised from Re. 1 to Rs. 3 per ton	12
Tax on motor spirit other than petrol to be increased from one anna six pies to 3 annas per gallon	9
	21
ASSAM	
Sales tax on motor spirit, lubricants and diesel oil to be enhanced	19
Agricultural income of companies to be taxed in two slabs at the rates of 5 as. in the rupee on incomes upto Rs. 1 lakh and 6 as. in the rupee on incomes over Rs. 1 lakh	2
Ceiling in respect of profession tax to be raised from Rs. 250 to Rs. 500 per annum	..
Registration fee to be raised	..
BIHAR	
A new cess of one anna in the rupee of rent for financing primary education.	100
Diesel oil to be brought into the category of motor spirits to which the special rate of tax at 3 as. per gallon applies	..
Switch-over from single point sales tax to multi-point tax at lower rates ..	..
	200
MADHYA PRADESH	
Betterment levy on irrigated lands and water rates	..
Levy on electricity consumed for industrial purposes	..
Increase in the rate of motor vehicles tax	..
Standardisation of land revenue assessment	..
Changeover to multi-point sales-tax.	..
	164

	Estimated Yield (Lakhs of Rupees)
MADRAS	
Tax on diesel oil enhanced from 1½ as. to 4 annas per gallon	30
Additional sales tax of one anna in the rupee on sugar	40
A 30 per cent increase in the rate for supply of electric energy to licensees and bulk consumers	45
Ryotwari assessment of inam lands in lieu of quit-rent	30
Exemption of palm gur from sales tax at all points	..
	145
ORISSA	
Levy of an education cess at the rate of one anna per rupee of rent ..	..
PUNJAB	
Sales tax at double the ordinary rate on luxury goods	..
Profession tax on non-agricultural incomes above Rs. 6,000	..
Passenger tax raised by 50 per cent	..
Entertainment tax increased by 25 per cent	..
Vehicles tax in respect of goods vehicles and State carriages to be revised upwards	..
	73
UTTAR PRADESH	
Sales-tax on foodgrains including cereals, pulses and atta, on turnover at 6 pies at all points. Other commodities which were exempted previously to be taxed at a higher rate of one anna. Bullion (at special rate) and industrial lubricants brought within the purview of the sales-tax ..	500

Capital Account.—Receipts on capital account have increased from Rs. 130 crores in 1951-52 to Rs. 290 crores in 1955-56 (R.E.), while disbursements have risen only from Rs. 146 crores to Rs. 275 crores in the same period. Consequently, as against a net deficit of Rs. 3 crores during the three years upto 1953-54, there have been surpluses of Rs. 24 crores in 1954-55 and Rs. 15 crores in 1955-56. During the five years 1951-52 to 1955-56, the annual developmental outlay has increased by Rs. 100 crores to Rs. 180 crores. The comfortable position on capital account is largely due to Central loan assistance which has increased from Rs. 67 crores in 1951-52 to Rs. 227 crores in 1955-56 (R.E.). In 1956-57 also, a surplus of Rs. 12 crores is envisaged.

The notable success of the States' borrowing programme was an important feature of 1955-56. Seven Part A States entered the market, five of them entering for a second time, their *net* borrowings amounting to Rs. 41 crores. Total budget provision made for 1956-57 by six States for market loans is Rs. 36 crores.

Part B States :

Revenue Account

General.—The consolidated budgetary position of Part B States on revenue account is shown below (see also Statement 61).

(Crores of Rupees)

	1951-52	1952-53	1953-54	1954-55	1955-56 (R. E.)	Total 1951-56	1956-57 (B. E.)
Revenue ..	100.5	102.0	106.6	116.4	118.5	544.0	128.3
Expenditure ..	94.3	98.7	101.1	111.6	133.7	539.4	141.8
Surplus (+) or Deficit (—) ..	+ 6.2	+ 3.3	+ 5.5	+ 4.8	— 15.2	+ 4.6	— 13.5
Surplus (+) or deficit(—) exclusive of revenue reserve fund transactions	+ 6.0	+ 3.3	+ 4.7	+ 4.8	— 18.2	+ 0.6	— 16.3

Unlike Part A States which had a revenue account surplus only in 1951-52 (which also would have been a deficit but for drawing down Revenue Reserve Funds), Part B States had a deficit only in 1955-56 (R.E.) and consequently for the Plan period as a whole there was a net surplus of Rs. 4.6 crores. The deficit in 1955-56 was due to the spurt in expenditure, with which revenue did not keep pace; as against an increase of Rs. 17 crores in expenditure between 1951-52 and 1954-55, 1955-56 witnessed a rise of Rs. 22 crores.

1954-55 (Accounts.)—1954-55 closed with a surplus of Rs. 4.8 crores as against anticipated deficit of Rs. 5.9 crores in the revised estimates. While revenue improved by Rs. 2 crores, expenditure lagged behind estimates, mainly under development heads.

1955-56 (Revised Estimates.)—Revenue and expenditure were both lower as compared to budget estimates, but as expenditure showed a larger decline, the deficit remained lower only by Rs. 1 crore at Rs. 15.2 crores.

1956-57 (Budget Estimates.)—Budget estimates for 1956-57 place revenue at Rs. 128 crores or Rs. 10 crores higher than in 1955-56 and expenditure at Rs. 142 crores or Rs. 8 crores higher. The deficit is, therefore, lower by Rs. 2 crores at Rs. 13 crores. Development expenditure is expected to rise by Rs. 8 crores over 1955-56.

A part of the deficit is to be covered by additional tax proposals anticipated to yield Rs. 1½ crores as follows:—

	(Estimated Yield) (Lakhs of Rupees)
HYDERABAD	
Changes in the scope and rates of sales tax on specified items including cigarettes, petrol, gur, mill-made cloth and medicines	54
Changes in the scope and rates of stamp duties	5
Stepping up rates of agricultural income-tax and reduction in the exemption limit	11
	70
MADHYA BHARAT	
Revision of sales tax, land revenue, stamps and motor vehicles tax generally on the basis of T. E. C. recommendations	55
PEPSU	
Increase in the rate of sales tax on luxury goods from 6 pies to one anna in the rupee	4
Increase in passenger tax by 50 per cent	4
Levy of a tax on forward contracts	1
Levy of a profession tax on non-agricultural income above Rs. 6,000 per annum	6
Increase in vehicles tax to the level prevailing in the Punjab	5
Levy of agricultural income-tax (charged as a percentage of land revenue above Rs. 50 on a sliding scale)	4
	24
SAURASHTRA	
Betterment levy on land under new irrigation projects, and an irrigation cess	
Levy of duty at 6 pies per unit of electricity used by domestic consumers	7.5

Capital Account

Receipts and disbursements of Part B States on capital account, which amounted to Rs. 35 crores and Rs. 42 crores, respectively, in 1951-52, were Rs. 84 crores and Rs. 83 crores in 1955-56. Unlike Part A States, and despite an increase of Central loan assistance from Rs. 7 crores to Rs. 62 crores, during the Plan period, Part B States show net deficit of Rs. 20 crores on capital account; only in 1955-56 was there a (nominal) surplus. During 1955-56, three Part B States entered the market for loans, net borrowings amounting to Rs. 9 crores. In 1956-57 six Part B States propose to float loans for an aggregate amount of Rs. 14.5 crores.

Part C States:

The combined revenue account of six* Part C States, which have separate consolidated funds since 1952-53, is shown in Statement 62. From a revenue account surplus of Rs. 1.6 crores in 1953-54, Part C States show increasing revenue deficits in the next three years, with estimated deficits of Rs. 59 lakhs in 1955-56 and Rs. 1.0 crore in 1956-57. While expenditure has increased from Rs. 12.1 crores in 1952-53 to Rs. 21. 4 crores in 1955-56 and Rs. 23.7 crores in 1956-57, revenue does not show a similar increase—and moreover, about half the increase in revenue is accounted for by Central grants and contributions.

Railway Budget

The continuous decline in the railway surplus noticed from 1951-52 onwards was arrested in 1954-55, with a surplus of Rs. 9.10 crores which is expected to rise somewhat to Rs. 9.58 crores in 1955-56 (R.E.) at higher levels of revenue and expenditure (Statement 63).

1954-55 (Accounts.)—The final outturn for 1954-55 recorded an increase of Rs. 3.9 crores in gross earnings, to Rs. 286.8 crores, as against a rise of Rs. 1.4 crores in total expenses, to Rs. 242.7 crores, as compared to revised estimates. The surplus of Rs. 9.1 crores was, therefore, higher than in the revised estimate (Rs. 6.6 crores) and was wholly appropriated to the Development Fund.

1955-56 (Revised Estimates.)—With both receipts and expenses higher than in the budget estimates, at Rs. 314.2 crores and Rs. 268.4 crores, respectively, the revised estimates disclose a surplus of Rs. 9.58 crores as against a surplus of Rs. 7.14 crores in the budget estimates. Of the surplus, Rs. 7.14 crores is credited to the Revenue Reserve Fund and the balance of Rs. 2.44 crores to the Development Fund.

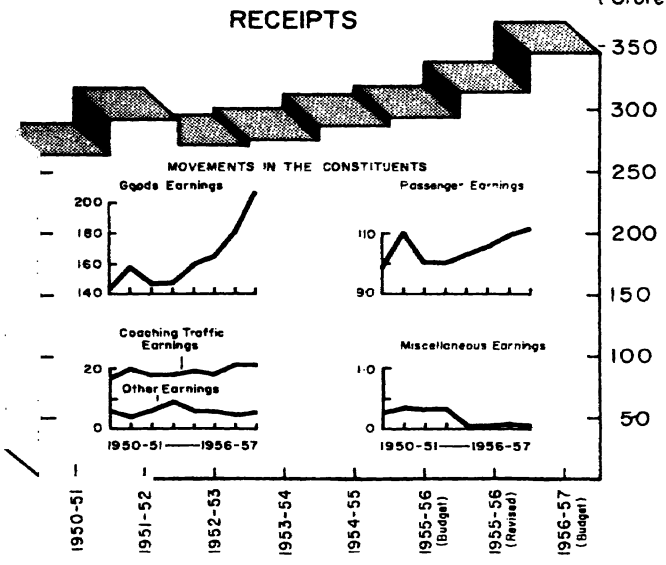
1956-57 (Budget Estimates.)—The budget estimates place gross earnings (taking into account the new proposals) at Rs. 345.1 crores and total expenses at

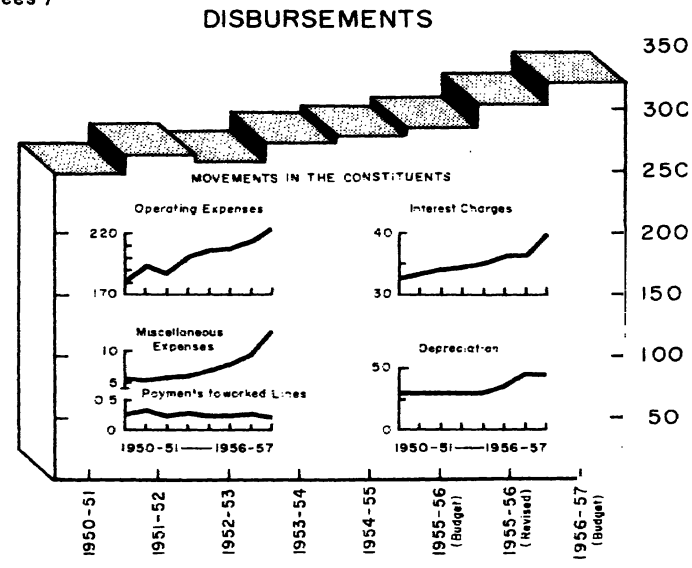
* Ajmer, Bhopal, Coorg, Delhi, Himachal Pradesh and Vindhya Pradesh. Transactions of Kutch, Manipur and Tripura are included in the Central Budget while those of Bilaspur are included in the budget of Himachal Pradesh.

GRAPH 16

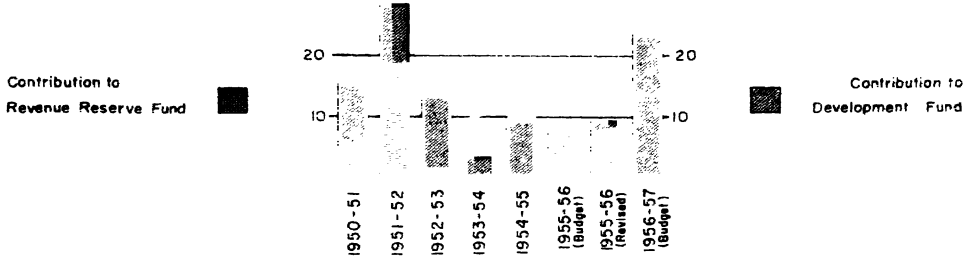
RAILWAY FINANCES 1950-51 to 1956-57

(Crores of Rupees)





ALLOCATION OF SURPLUS



Rs. 282.4 crores. Working expenses show an increase of Rs. 10 crores over 1955-56, of which Rs. 6.5 crores are on account of an increase in the wage bill, mainly for extra staff required for handling the larger traffic.

Net operating surplus is estimated at Rs. 62.7 crores; after payment of Rs. 39.7 crores as dividend to General Revenues, the remainder (Rs. 23.0 crores) is allocated to the Development Fund. The principal measure to cover the gap in resources consequent upon increased commitments under the Second Plan is the surcharge of one anna in the rupee on all freight traffic, except grains and pulses, fodder, manure, khadi, newspaper, newsprint and books, which would add Rs. 11.6 crores to the revenue during 1956-57.

As against a provision of Rs. 127 crores in the budget estimates for 1955-56, the revised estimates place expenditure on works, machinery and rolling stock at Rs. 141 crores; the estimate for 1956-57 is still higher at Rs. 193 crores.

Railways and the Plan.—The target of expenditure on railway development under the First Five Year Plan was Rs. 400 crores and the railways have exceeded this by Rs. 32 crores; of the total estimated outlay of Rs. 432 crores, net investment amounts to Rs. 267 crores, the balance representing current depreciation. Current resources (i.e., payments to Railway Funds and provision for open line works) of the railways have provided Rs. 281 crores and practically the whole of the balance represents addition to capital-at-charge (provided out of General Revenues). Of the total outlay, Rs. 253 crores was on account of rolling stock. In the Second Plan a total outlay of Rs. 1125 crores is provided for, of which Rs. 900 crores would be net investment; it provides for additional capacity of 15 per cent for passenger traffic and 35 per cent for freight traffic. Of the total outlay, the railways would contribute Rs. 375 crores, comprising Rs. 225 crores by way of provision for depreciation and, at the level of passenger and freight rates prevailing in 1955-56, Rs. 100 crores from revenue surplus, leaving a gap of Rs. 50 crores to be covered. As mentioned earlier, to meet this shortfall in resources, freight rates have been revised.

Railway Funds.—Statement 64 gives the balances in railway funds since 1950-51. As at the end of 1955-56, the total outstanding amount in the Depreciation, Development and Revenue Reserve Funds remains more or less at the same level (Rs. 156 crores) as at the end of 1950-51. By the end of 1956-57, it is expected to rise to Rs. 162 crores. Appropriation to the Depreciation Fund, which had been increased from Rs. 30 crores in 1954-55 to Rs. 35 crores in 1955-56 (budget estimates) on the recommendations of the Railway Convention Committee, has been further raised in the revised estimates for 1955-56 to Rs. 45 crores in view of the large withdrawals contemplated during the next five years.

B. PUBLIC DEBT

Union Government

General.—The rising trend in the interest-bearing obligations of the Government of India noticed since 1948-49 continued in 1955-56, with a further increase of Rs. 273 crores to Rs. 3312* crores. The net increase during the five year period 1951-56 amounted to Rs. 750 crores. Of the outstanding total as at the end of March 1956, internal obligations amounted to Rs. 3171 crores and external debt to Rs. 141 crores. Total interest-bearing obligations are estimated to show a rise of Rs. 586 crores to Rs. 3,898 crores at the close of March 1957, mainly due to an expansion of Rs. 356 crores under floating debt (*vide* Statement 65).

The 3½% National Plan Bonds (Second Series), 1965 were offered for subscription from July 1, 1955 at an issue price of Rs. 98-8-0 for every Rs. 100 (nominal). The loan is repayable at par on July 1, 1965. This was a cash-cum-conversion loan and subscribers were given the choice of converting their holdings of the existing 2½% Loan 1955, and 4½% Loan, 1955-60, both of which were redeemed during the year. The list was closed on July 4, after being fully subscribed, and total subscriptions amounted to Rs. 103.68 crores, of which the conversion part accounted for Rs. 57.95 crores. The cash redemption of the maturing loans as at the end of 1955-56 amounted to Rs. 7.71 crores in the case of the 2½% Loan, 1955 and to Rs. 4.72 crores in the case of the 4½% Loan, 1955-60.

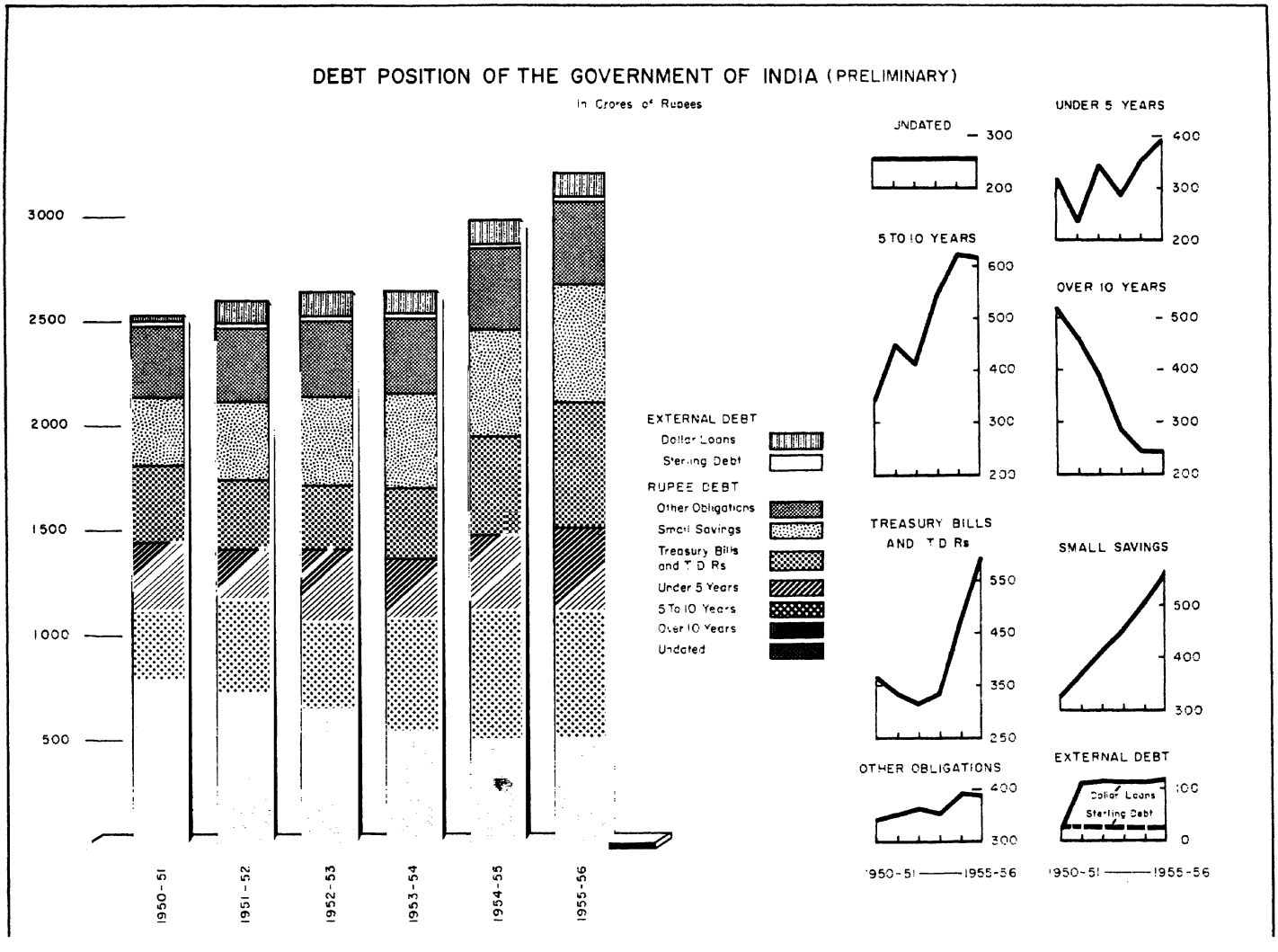
Interest-yielding assets of the Government of India stood at Rs. 2468 crores at the end of 1955-56, or Rs. 202 crores higher than at the end of 1954-55 and constituted three-fourths of the total interest-bearing obligations. There were increases of Rs. 225 crores in loans to States, of Rs. 72 crores in capital advanced to railways, of Rs. 15 crores in investment in commercial concerns, but these were partly offset by reductions under annuities for sterling pensions (Rs. 106 crores) and capital advanced to commercial departments (Rs. 3 crores). Interest-yielding assets are estimated to show a further sharp rise of Rs. 528 crores to Rs. 2996 crores by the close of 1956-57.

Composition of Debt.—At the close of 1955-56, the total rupee debt† of the Government of India amounted to Rs. 3062 crores as against Rs. 2844 crores at the end of 1954-55 (*vide* Statement 66 and Graph 17). Of this, debt on account of rupee loans amounted to Rs. 1509 crores in 1955-56. There was no significant change in the maturity pattern of rupee loans in 1955-56 as compared to 1954-55, medium term

* The figures given here are based on *revised estimates* for all years. Actuals in respect of certain items are given later.

† Total rupee debt comprises total interest bearing obligations *minus* deposits and external debt *plus* balances of special floating and expired loans.

GRAPH 17


DEBT POSITION OF THE GOVERNMENT OF INDIA (PRELIMINARY)
In Crores of Rupees
3000
2500
2000
1500
1000
500
1950-51
1951-52
1952-53
1953-54
1954-55
1955-56
EXTERNAL DEBT
Dollar Loans
Sterling Debt
RUPEE DEBT
Other Obligations
Small Savings
Treasury Bills and T D Rs
Under 5 Years
5 To 10 Years
Over 10 Years
Undated
UNDATED
300
200
UNDER 5 YEARS
400
300
200
5 TO 10 YEARS
600
500
400
300
200
OVER 10 YEARS
500
400
300
200
TREASURY BILLS AND T D Rs
550
450
350
250
SMALL SAVINGS
500
400
300
OTHER OBLIGATIONS
400
300
EXTERNAL DEBT
Dollar Loans
Sterling Debt
100
0
1950-51 —— 1955-56
1950-51 —— 1955-56

(between 5 and 10 years)@ and short term (under 5 years) accounting for 41 per cent and 26 per cent, respectively, of total rupee loans (Statement 67). As compared to 1951, however, there has been a significant change in the maturity pattern; while the share of long term (over 10 years but excluding undated securities) securities has declined from 36 per cent in 1951 to 16 per cent in 1956, that of medium term has increased from 24 per cent to 41 per cent. Treasury bills at Rs. 595 crores constituted 19 per cent of the rupee debt as against 17 per cent in the previous year and 15 per cent in 1951. Small savings rose by Rs. 62 crores in 1955-56, with its percentage to total rupee debt slightly moving up by 1 per cent to 19 per cent; it formed only 13 per cent of the rupee debt in 1951.

During 1955-56, outstanding Treasury bills showed a rise of Rs. 123* crores to Rs. 595 crores (*vide* Statements 70-71) as against an increase of Rs. 137 crores in the previous year, the increase over the five years ended March 1956 amounting to Rs. 237 crores. During 1955-56, Treasury bills held by the Reserve Bank increased by Rs. 131 crores to Rs. 488 crores, the net increase in the Reserve Bank holdings during the five year period amounting to Rs. 213 crores. Treasury bills held by State Governments, approved bodies and the public together showed a decline of Rs. 8 crores in 1955-56 as against an increase of Rs. 34 crores in 1954-55; the net increase during the five years amounted to Rs. 24 crores.

Repatriation of Sterling Debt.—During 1955-56, sterling debt of the face value of £0.03 million was repatriated at a cost of Rs. 0.03 crores. The total sterling debt repatriated upto the close of 1955-56 amounted £329.1 million and the rupee counterparts created totalled Rs. 274.2 crores.

Small Savings.—During 1955-56, net receipts from small savings recorded a 13 per cent rise; gross receipts and repayments totalled Rs. 197 crores and Rs. 135 crores, as against Rs. 177 crores and Rs. 122 crores, respectively, in 1954-55, resulting in net collections of Rs. 62 crores as against net receipts of Rs. 55 crores in 1954-55 (*vide* Statement 74). The increase during the year occurred mainly in Post Office Savings Bank Deposits (Rs. 32 crores) and National Savings Certificates (Rs. 19 crores). The individual State targets were exceeded in all States except Andhra and Hyderabad. Total small savings collections during the five years 1951-52 to 1955-56 at Rs. 235 crores exceeded the original Plan target by Rs. 10 crores. Of this increase, the shares of Post Office Savings Bank, National Savings Certificates and Treasury Savings Deposit Certificates were, respectively, Rs. 102 crores, Rs. 96 crores and Rs. 36 crores.

Government Balances and Ways and Means Advances.—During 1955-56, cash balances of the Central Government with the Reserve Bank of India and at

@ Classified on the basis of earlier date in the case of two-dated loans.

* Actual increase based on Reserve Bank data.

Government Treasuries showed a net decline of Rs. 38.1 crores to a *debit* balance of Rs. 4.6 crores* (Statement 69); the net decline during the five year period 1951-56 amounted to Rs. 156 crores.

The Central Government did not resort to Ways and Means advances during the year.

State Governments

Debt Position.—Gross debt of Part A States, which had increased by Rs. 175 crores in 1954-55, increased by another Rs. 244 crores in 1955-56 to Rs. 965 crores, the increase during the five years 1951-56 amounting to Rs. 720 crores (*vide* Statement 68). A substantial part of the increase over the five years was accounted for by loans from the Centre, which rose by Rs. 571 crores to Rs. 726 crores; permanent debt also rose significantly by Rs. 126 crores to Rs. 185 crores. As regards the gross debt of Part B States, *provisional estimates* indicate an increase of Rs. 68 crores in 1955-56 and of Rs. 154 crores in 1951-56.

State Loans.—The States' borrowing programme comprised the floatation on August 16, 1955 by ten States, of 4 per cent 12-year loans for an aggregate amount of Rs. 35.75 crores and, again, on August 30 of a second series of the same loan by seven of these States for a further Rs. 11.75 crores. Total subscriptions received amounted to Rs. 51.34 crores and Rs. 16.43 crores, the amount allotted being Rs. 42.27 crores and Rs. 12.79 crores. The proceeds of the loans were intended for financing capital expenditure in connection with the development programme. Details of both series are set out in Statement 72.

As regards the first series, the West Bengal loan and Bombay loan were issued at par while the remaining eight were issued at a discount ranging upto a rupee. All these loans were either fully or over-subscribed. Four State Governments *viz.*, Bombay, Madhya Pradesh, Madras and Mysore offered their subscribers the choice to convert their respective loans maturing in 1955.

As regards the second series, except for the Bombay Loan which was offered at a premium of annas four, the issue prices of the remaining six were the same as for the first series. The total subscription accepted amounted to Rs. 12.79 crores.

Four State Government Loans viz., the 3 per cent 1955 loans of Bombay (Rs. 2.97 crores), Madhya Pradesh (Rs. 0.50 crore), Madras (Rs. 1.23 crores) and the 5% 1955 loan of Mysore (Rs. 1.63 crores) were repaid on maturity during the year.

Balances and Ways and Means Advances.—The month-end cash balances of Part A and Part B States with the Reserve Bank and at Government treasuries are

* Provisional.

given in Statement 69. The average cash balance of Part A States as a whole (Rs. 18.3 crores) was slightly smaller than in 1954-55 (Rs. 18.5 crores); the balance at the end of 1955-56 (Rs. 75 crores) was higher by Rs. 13 crores. In the case of Part B States, the total of cash balances showed a decline of Rs. 1.4 crores to Rs. 16.3 crores.

During 1955-56, six Part A States (West Bengal, Madras, Andhra, Uttar Pradesh, Orissa and Bihar) and three Part B States (Madhya Bharat, Hyderabad and Saurashtra) resorted to ways and means advances from the Reserve Bank, the *gross* amount of such advances totalling Rs. 28.5 crores in the case of Part A States and Rs. 3.8 crores in the case of Part B States. Madras and Andhra (Rs. 6.6 crores each) and U.P. (Rs. 6.5 crores) among Part A States and Hyderabad Rs. 2.5 crores) among Part B States accounted for the major portion of these advances. In the case of Part A States, advances taken in February 1956 at Rs. 5.2 crores and in the case of Part B States advances taken in December 1955 at Rs. 1.4 crores were the highest for the year. No advances were outstanding at the end of 1955-56.

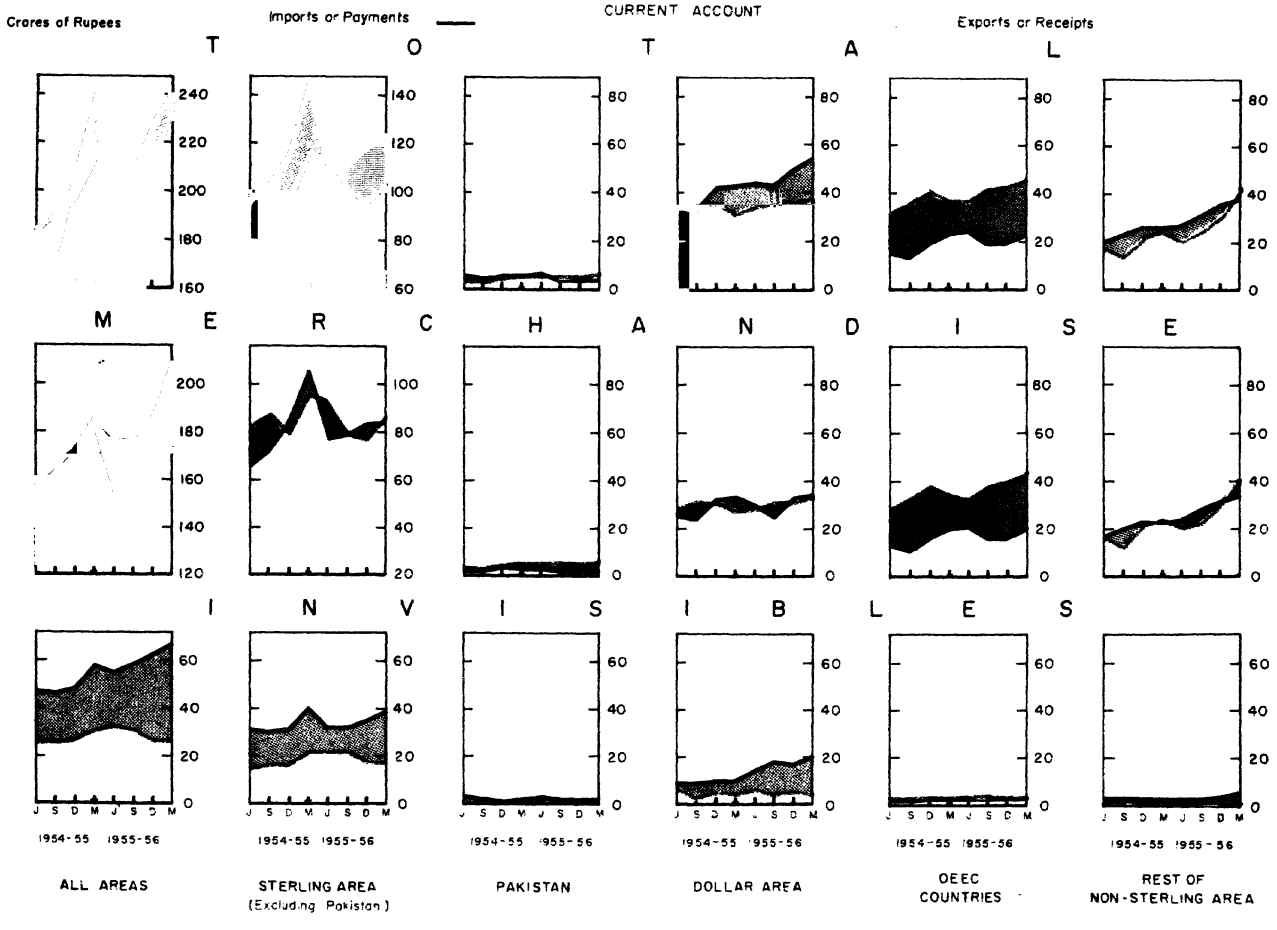
VIII. BALANCE OF PAYMENTS

General.—The rise in the tempo of India's developmental effort was reflected in the level and pattern of external trade during 1955-56. Imports reached a record level since the Korean boom, especially owing to heavy imports of machinery and iron and steel manufactures. During the first, third and fourth quarters of the year, imports, both in volume and value, were higher than not only the corresponding quarters of the previous year but also the preceding quarter, and in the last quarter of the year were the highest attained since the last quarter of 1951-52. Consequent on sustained increase in economic activity abroad, particularly in the industrially advanced countries, exports also reached a record level since 1951-52, though they increased at a lower rate than imports. The last quarter's exports, however, were slightly lower than those of the corresponding quarter of the previous year owing principally to the fall in export prices, particularly of tea and jute manufactures. For the year as a whole, the expansion in India's external trade was more or less of the same order as the increase in world trade.

Preliminary estimates indicate that in 1955-56 the current balance of payments surplus was larger than in the previous year—Rs. 20.7 crores as compared with Rs. 8.3 crores—in spite of a widening in the trade deficit occasioned partly by a 10 per cent deterioration in the terms of trade. Though imports increased more than exports, net invisible receipts, particularly official donations, rose substantially and accounted for the improvement in the current surplus. On capital account, there was a decline in the rate of outflow of capital. Further, in contrast to substantial payments during the previous year, there were small receipts on account of unidentifiable transactions merged under ' errors and omissions '. As a result, there was a significant increase in the foreign exchange reserves during this year whereas in 1954-55 they had dropped appreciably. Since, however, there was a small rise in the foreign exchange liabilities in 1955-56 as against a considerable fall during the previous year, the improvement in the net foreign exchange reserves was not as large as in the gross reserves.

Exports to the O.E.E.C. countries, the rest of the non-sterling area and the dollar area recorded considerable expansion. However, in the case of first two regions, the increase in imports more than offset the rise in exports, and as a result, the current deficit with the O.E.E.C. countries widened and the current surplus with the rest of the non-sterling area declined somewhat. The most striking change, however, was the sizeable increase in the current surplus vis-a-vis the dollar area, entirely due to larger receipts under official donations. With Pakistan, there was a small decline in exports coupled with an increase in imports, which converted the previous year's current surplus into an almost equal deficit. A greater fall in imports than exports more than offset by a decline in net invisible receipts resulted in a small fall in the current surplus with the sterling area, excluding Pakistan (*vide* Table on page 67.)

GRAPH 18


INDIA'S BALANCE OF PAYMENTS
1954-55 AND 1955-56
CURRENT ACCOUNT
Crores of Rupees
Imports or Payments
Exports or Receipts
TOTAL
MERCHANDISE
INVISIBLES
1954-55 1955-56
ALL AREAS
STERLING AREA
(Excluding Pakistan)
PAKISTAN
DOLLAR AREA
OEEC
COUNTRIES
REST OF
NON-STERLING AREA

SUMMARY TABLE

A. India's Overall Balance of Payments

(Crores of Rupees)

	1955-56 : (Preliminary)				Year	
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	1955-56	1954-55
Imports c.i.f.						
(a) Private	146.6	144.3	147.2	170.5	608.6	524.0
(b) Government	30.1	32.7	37.3	39.0	139.1	157.6
Total Imports (a + b)	176.7	177.0	184.5	209.5	747.7	681.6
Exports f.o.b.						
(c) Private	153.4	149.2	164.9	172.6	640.1	595.8
(d) Government	0.5	0.5	0.6	0.5	2.1	0.8
Total Exports (c + d)	153.9	149.7	165.5	173.1	642.2	596.6
Trade Balance						
(e) Private	+ 6.8	+ 4.9	+ 17.7	+ 2.1	+ 31.5	+ 71.8
(f) Government	— 29.6	— 32.2	— 36.7	— 38.5	—137.0	—156.8
Total Trade Balance (e + f) ..	— 22.8	— 27.3	— 19.0	— 36.4	—105.5	— 85.0
Official Donations (Net)	+ 8.4	+ 12.3	+ 11.3	+ 14.2	+ 46.2 †	+ 15.8
Other Government Invisibles (Net)*	+ 4.6	+ 8.5	+ 10.4	+ 10.3	+ 33.8	+ 22.6
Private Invisibles (Net)	+ 9.8	+ 6.0	+ 13.9	+ 16.5	+ 46.2	+ 54.9
Current Account (Net)	..	— 0.5	+ 16.6	+ 4.6	+ 20.7 †	+ 8.3
Errors and Omissions	+ 5.1	+ 22.5	— 9.6	— 15.2	+ 2.8	— 12.9
Movement in Foreign Exchange Reserves (Increase —, Decrease +)	+ 10.9	— 2.3	— 8.3	— 15.3	— 15.0	+ 17.2
Other Capital Transactions	— 16.0	— 19.7	+ 1.3	+ 25.9	— 8.5	— 12.6
Capital Account (Net)	— 5.1	— 22.0	— 7.0	+ 10.6	— 23.5 †	+ 4.6
B. Change in Net Foreign Exchange Reserves						
Change in Reserves (Increase +, Decrease —)	— 10.9	+ 2.3	+ 8.3	+ 15.3	+ 15.0	— 17.2
Change in Foreign Exchange liabilities (Increase —, Decrease +) ..	+ 9.5	+ 13.1	— 1.4	— 26.3	— 5.1	+ 11.3
Change in Net Reserves	— 1.4	+ 15.4	+ 6.9	— 11.0	+ 9.9	— 5.9
C. Current Account: Regional Pattern						
Sterling Area (excluding Pakistan)..	— 4.5	+ 10.7	+ 22.8	+ 18.2	+ 47.3	+ 49.4
Pakistan	+ 0.6	— 1.8	— 1.5	— 2.2	— 5.0	+ 4.8
Dollar Area †	+ 10.7	+ 7.8	+ 14.0	+ 16.8	+ 49.3	+ 15.1
O.E.E.C. Countries	— 13.1	— 23.3	— 24.1	— 23.2	— 83.7	— 74.8
Rest of Non-Sterling Area	+ 6.3	+ 6.1	+ 5.4	— 5.0	+ 12.8	+ 13.8
TOTAL † ..	—	— 0.5	+ 16.6	+ 4.6	+ 20.7	+ 8.3

* Represents identifiable Government transactions.

† Provisional.

Current Account.—The current surplus during 1956-56 amounted to Rs. 20.7 crores as compared to Rs. 8.3 crores during the previous year. This improvement was entirely due to our transactions with the dollar area, our current surplus with which increased by Rs. 34.2 crores; the payments position with the sterling area (excluding Pakistan), Pakistan, the O.E.E.C. countries and the rest of the non-sterling countries worsened by Rs. 2.1 crores, Rs. 9.8 crores, Rs. 8.9 crores and Rs. 1 crore, respectively.

Exports.—Export receipts during 1955-56 went up by 7.6 per cent over the previous year from Rs. 597 crores to Rs. 642 crores. This expansion was attained in spite of a fall in export prices and was directed towards the rest of the non-sterling countries, the O.E.E.C. countries and the dollar area. Exports to the sterling area and Pakistan declined slightly.

The rise in exports was principally accounted for by two commodities, namely, raw cotton and vegetable oils, the former from Rs. 22.7 crores in 1954-55 to Rs. 45.6 crores or a rise of 96 per cent and the latter from Rs. 21.9 crores to Rs. 43.1 crores, a rise of 97 per cent*. Metallic ores, hides and skins and cotton manufactures also recorded rises of Rs. 8 crores (34 per cent), Rs. 5 crores (18 per cent) and Rs. 4 crores (5 per cent), respectively. Largely as a result of a fall in prices, referred to earlier, exports of tea declined substantially by Rs. 35 crores or 24 per cent (from Rs. 146 crores to Rs. 111 crores); jute goods also declined from Rs. 129 crores to Rs. 120 crores or by 7 per cent.*

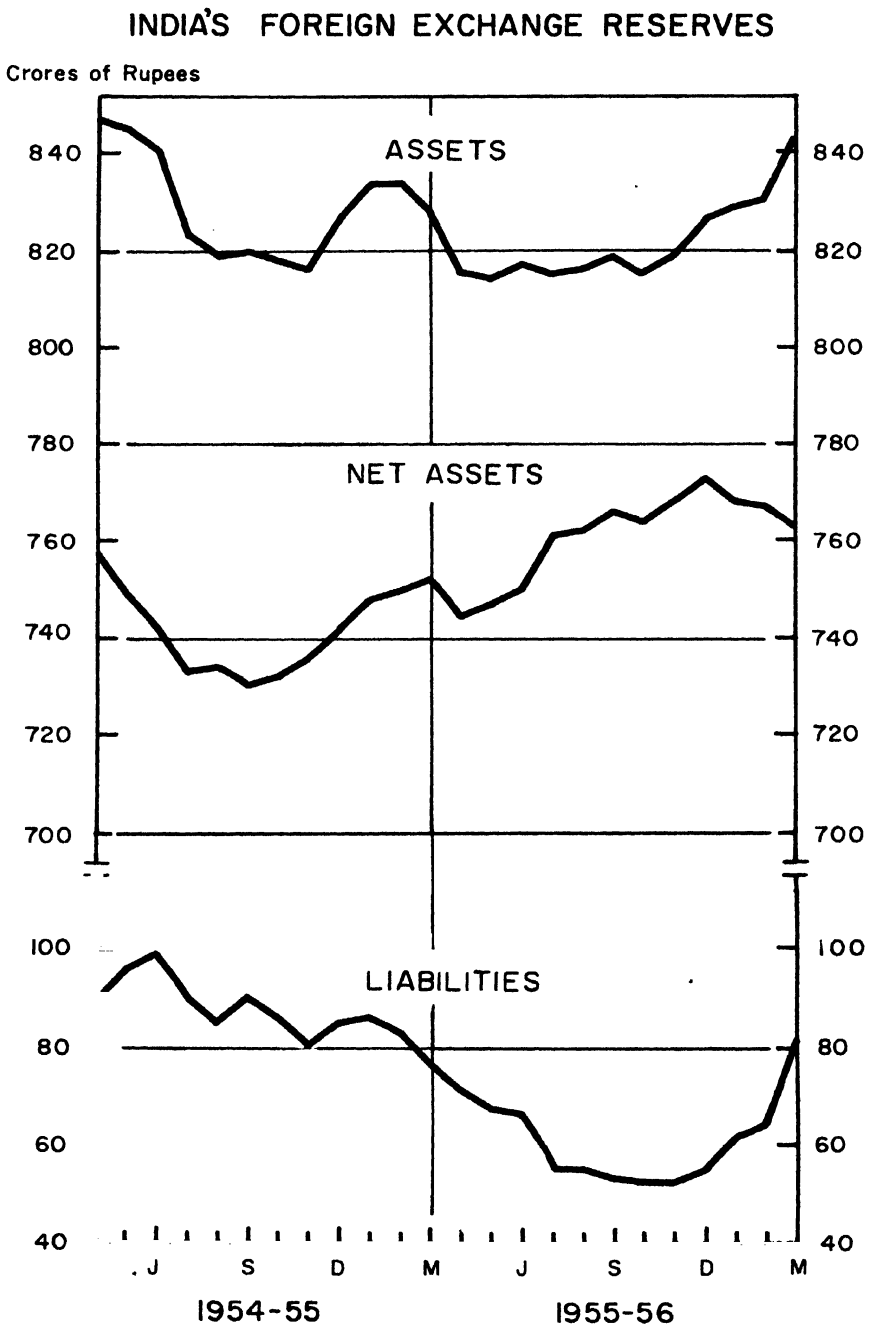
Imports.—Imports at Rs. 748 crores were 9.7 per cent higher than in the previous year, owing partly to a rise in import prices, and the increase was vis-a-vis the rest of the non-sterling countries, the O.E.E.C. countries, Pakistan and the dollar area. There was a slight fall in imports from the sterling area excluding Pakistan.

The rise in imports occurred principally under iron and steel manufactures and machinery, reflecting the accelerated tempo of developmental activity in the country. Imports of iron and steel rose from Rs. 26 crores to Rs. 58 crores, while as regards machinery, the rise was from Rs. 87 crores to Rs. 110 crores. Raw jute imports rose by about Rs. 6 crores or 53 per cent. Imports of vehicles, chemicals and raw cotton also recorded small increases. Mineral oil imports declined by 1 per cent. to Rs. 69 crores. Total imports on Government account fell by Rs. 19 crores or 12 per cent.

Invisibles.—Net invisible receipts rose by Rs. 33 crores during 1955-56 as compared to the previous year. This substantial addition was mainly on account of an increase in receipts under official donations of about Rs. 30 crores, from Rs. 16 crores to Rs. 46 crores, emanating entirely from the dollar area.

* Figures are based on Exchange Control data and, therefore, differ somewhat from those given in Statements 76, 77, 80 to 84 and 87 which are based on Customs data as published in the *Accounts relating to the Foreign Trade and Navigation of India.*

GRAPH 19


INDIA'S FOREIGN EXCHANGE RESERVES
Crores of Rupees
ASSETS
NET ASSETS
LIABILITIES
840
820
800
780
760
740
720
700
100
80
60
40
J
S
D
M
J
S
D
M
1954-55
1955-56

Quarterly Movements.—The current account during the *first* quarter of the year under review was in balance and showed a small deficit during the *second* quarter, as compared with considerable deficits during the corresponding quarters of the previous year; this improvement was mainly due to higher exports and larger receipts from official donations. In the *third* quarter, there was a surplus which was the highest for the year and which was also higher than that of the third quarter of 1954-55, for although the trade deficit was larger, receipts from official donations were still higher. The *fourth* quarter surplus was much smaller than that of the corresponding quarter of the previous year since exports were lower and imports much larger and both together more than offset receipts under official donations, even though these were the largest for any quarter in the past two years.

Capital Account.—Capital outflow on private account at Rs. 13.1 crores during the year under review was much larger than in the previous year (Rs. 4.8 crores); but that on official account declined somewhat from Rs. 13.2 crores during the previous year to Rs. 10.5 crores during 1955-56. However, because of considerable borrowing by some exchange banks from their head offices in London, particularly during the last quarter of 1955-56, the capital inflow arising from this during the year under review stood at Rs. 10.1 crores as against an outflow of Rs. 0.5 crore during the previous year. Mainly as a result of these, the net outflow of capital during 1955-56 at Rs. 8.5 crores was Rs. 4.1 crores smaller than in 1954-55.

Foreign Exchange Reserves.—Because of the current surplus of Rs. 20.7 crores and unidentifiable receipts of Rs. 2.8 crores merged under 'errors and omissions', which together more than offset the outflow of capital of Rs. 8.5 crores, India's foreign exchange reserves consisting of the assets of the Reserve Bank of India, Government balances and authorised dealers' holdings increased by Rs. 15.0 crores to Rs. 842.6 crores during the year under review in contrast to a fall of Rs. 17.2 crores during the previous year. India's foreign exchange liabilities also rose by Rs. 5.1 crores in spite of a fall in the liabilities to the I.M.F. of Rs. 7.1 crores, mainly on account of an increase in the authorized dealers' liabilities. The net reserves, therefore, showed a rise of only Rs. 9.9 crores as against a fall of Rs. 5.9 crores during the previous year. Net reserves at the end of the year under review amounted to Rs. 761.7 crores, gold being valued at the statutory price of Rs. 21-3-10 per tola; if gold is valued at the international price of $35 per ounce (Rs. 166.7) the reserves would amount to Rs. 839.4 crores.

Sterling Transactions.—During 1955-56, the Reserve Bank's sterling transactions (excluding Government transactions) resulted in net purchases of £ 39 million (Rs. 52 crores) as compared to net purchases of £ 71 million (Rs. 95 crores) in 1954-55. Sterling balances of the Reserve Bank of India increased by £ 16 million (Rs. 21 crores) from £ 545 million (Rs. 727 crores) at the end of 1954-55 to £ 561 million (Rs. 748 crores) at the end of 1955-56. Statement 91 sets out separate figures in regard to forward contracts and deliveries effected against them as well as spot transactions.

Balance of Payments in the First Plan Period.—It will be useful to review India's payments position during the First Plan period, reflecting the combined impact of developments at home and abroad. During 1951-52, because of the Korean War boom, exports rose to an unprecedented level which was not reached again during the subsequent years. During the same year, the level of imports, however, was higher still—it was the peak achieved during the Plan period—owing to a significant rate of investment, reflected partly in machinery imports, as well as to sizeable food imports necessitated by the domestic food shortage. As a result the current deficit (excluding donations) at Rs. 168 crores, was again the largest during the Plan period (see Table below).

Overall Balance of Payments during the First Five Year Plan

(Crores of Rupees)

	Pre-Plan 1950-51	1951-52	1952-53	1953-54	1954-55	1955-56	Total during the Plan Period
Imports	650.3	962.9	633.0	591.8	681.6	747.7	*3,617.0*
Exports	646.8	730.1	601.9	539.7	596.6	642.2	*3,110.5*
Trade Balance	— 3.5	—232.8	—31.1	—52.1	—85.0	—105.5	— *506.5*
Invisibles	+ 40.3	+ 64.9	+ 80.5	+ 80.5	+ 77.5	+ 80.0	+ *383.4*
Official Donations ..	+ 2.1	+ 5.3	+ 10.8	+ 19.0	+ 15.8	+ 46.2*	+ *97.1*
Current Balance	+ 38.9	—162.6	+ 60.2	+ 47.4	+ 8.3	+ 20.7*	— *26.0*
Errors & Omissions ..	— 6.7	— 45.0	—25.7	+ 2.3	—12.9	+ 2.8	— *78.5*
Official Loans	+ 7.7	+ 59.6	+ 35.1	+ 1.6	+ 0.6	+ 2.5*	+ *99.4*
Other Capital Transactions	—12.7	— 20.6	—51.1	—20.3	—13.2	— 11.0	— *116.2*
Change in Reserves, Increase (+) Decrease(—)	+ 27.2	—168.6	+ 18.5	+ 31.0	—17.2	+ 15.0	— *121.3*

* Provisional

During the following two years—1952-53 and 1953-54—with the cessation of the Korean War boom and the onset of the American recession, exports fell sharply, and consequent on the slowing down of the rate of private investment and the improvement in the domestic food situation, there was also a considerable drop in imports. The current balance, excluding official donations, therefore, showed surpluses during these two years of about Rs. 50 crores and Rs. 28 crores, respectively.

During the last two years of the Plan period, both exports and imports showed a progressive rise and during 1955-56, as mentioned earlier, reached the highest level since 1951-52. The pace of development quickened and total imports increased,

particularly because of substantial imports of machinery, iron and steel manufactures and some industrial raw materials like raw cotton and raw jute. The American recovery started during the beginning of this period and, further, levels of economic activity abroad, particularly in the industrialised countries, rose progressively. As a result, our exports also went up but not at the same rate as imports. The current balance, excluding official donations, during these two years, therefore, showed widening deficits.

The total current deficit, excluding official donations, during the quinquennium covering the First Plan was Rs. 123 crores which is much smaller than earlier estimates of deficit and was largely due to lower imports of food and machinery. These lower imports arose partly on account of a substantial increase in domestic food production and partly as mentioned earlier in the Report, on account of the smaller rate of investment than what was anticipated by the Planning Commission.

The total current deficit of Rs. 123 crores and unidentifiable payments merged under 'errors and omissions' of Rs. 78.5 crores, during the Plan period, were more or less offset by large receipts under official donations and loans, amounting to Rs. 197 crores. The decline in foreign exchange reserves during the Plan period of about Rs. 121 crores was therefore on account of other capital transactions, unrelated to the needs of the First Plan, which led to a capital outflow of Rs. 116 crores.

Developments in Exchange Control.—Assisted by the favourable foreign exchange position of the country, the policy of gradual liberalisation of exchange restrictions, initiated in 1953-54, was continued during the year under review. The following were the principal developments in exchange control :

(1) On June 7, 1955, under a notification issued by the Reserve Bank of India, general permission was given for the transfer of Indian securities to persons resident in Nepal, although the export of such securities to Nepal was made subject to a licence from the Reserve Bank of India.

(2) From June 15, 1955, authorised dealers were permitted to deal in foreign exchanges other than U. S. dollars, Canadian dollars, pound sterling and Pakistan rupee at rates to be decided by market conditions, provided that the rates for spot transactions were at or between the official buying and selling rates of the Bank of England. Authorised dealers were also permitted to deal in forward contracts at market rates.

(3) During the year, consequential to changes in the U. K. Control, the transferable account area was further extended to include Turkey, from July 1, 1955. From August 22, 1955, the Italian lira was included in the list of specified currencies and became a permissible medium for payments between India and the Italian Monetary Area.

(4) In order to liberalise, to some extent, exchange control regulations pertaining to certain items of invisible payments, it was decided on August 26, 1955, to effect upward revisions in the scale of release of foreign exchange for the purpose of studies, business visits, emigration, etc. The settling-in allowance was raised to Rs. 75,000 per family in the case of emigration to the dollar area and to Rs. 1,25,000 per family for emigration to any other non-sterling area country, the previous limits for both being Rs. 66,667. The limit upto which travellers could take out jewellery was raised from Rs. 10,000 to Rs. 25,000 per person.

(5) With effect from October 25, 1955, all operations on the non-resident accounts of persons and firms, including banks, resident in Portuguese territories in India, were made subject to the prior approval of the Reserve Bank of India. A ban was imposed from November 10, 1955, on the taking out of Indian currency notes by travellers to Portuguese territories in India.

(6) From November 25, 1955, travellers to Pakistan were permitted to take with them Pakistan currency notes upto Pakistan Rs. 100 per person per day; the limit for taking out Indian currency notes to Pakistan, however, remained unchanged at Rs. 50 per person on any one day.

Trade Policy.—Import policy during the year under review continued to be one of progressive but controlled liberalisation in keeping with the needs of economic development. Thus, import quotas of a few commodities like antimony ingots, drills and reamers, textile preservatives, etc. were stepped up to meet the increasing demand of industries. With the same objective, discrimination against dollar imports was relaxed in the case of 55 items and permission was granted to utilise a part of the soft currency licences for imports from the dollar area. With a view to conserving foreign exchange resources, import quotas of some items like hacksaw blades, certain varieties of iron and steel chains, torch bulbs, certain chemicals etc., whose domestic production had increased, were reduced (*vide* Statement 79). In pursuance of Government's export promotion policy, Export Promotion Councils were set up for plastic manufactures, engineering goods, pepper and tobacco; export duties were reduced or abolished for a number of items like raw cotton, sesamum oil, jute manufactures, black pepper and coffee; a number of commodities like cotton textiles, groundnut oil cakes, cottonseed oil and chrome ore were placed on the free licensing list; and additional quotas were granted for raw wool, certain varieties of short staple cotton groundnut oil, groundnuts and tea (*vide* Statement 86).

Trade Agreements.—During 1955-56, India extended the validity of its earlier trade agreements with Italy, Rumania, Czechoslovakia, Austria, Indonesia, U.S.S.R., Poland, Iraq, Hungary, Finland, Norway and Sweden for further periods and also concluded fresh agreements with Pakistan and Yugoslavia. Details of these trade agreements are given in Statement 92. Among these, special mention may be made of the agreement with Pakistan which provided, *inter alia*, for the continuance of the movement of jute and coal and envisaged the revival of trade in other commodities.

Another feature of this agreement was the provision of special facilities for the people residing in the border areas of both countries to carry on trade on a small scale across the border without being subjected to the usual formalities. Even more significant than the trade agreements themselves were the arrangements that were finalised, in pursuance of the existing trade agreements, with the Governments of some countries for the importation of capital and development goods. Thus, in December 1955, arrangements were finalised with the Government of the US.S.R. for the supply of one million tons of steel during the three years beginning from 1956 (3 lakh tons in the first year and 3.5 lakh tons each in the two succeeding years). During these three years, the U.S.S.R. would also supply such equipment for oil-mining as well as other equipment and goods as may be agreed upon mutually. In return, the U.S.S.R. agreed to step up her purchases from India. According to the terms of an understanding reached with Italy, it was agreed that Italy would encourage fruitful co-operation between Italian and Indian industrial firms and organisations by way of sharing technical skill, provision of technicians and supply of equipment and machinery including long-term credit facilities for the supply of machinery to India. The agreement concluded in March 1956 with Yugoslavia, providing for the import cement of rolled steel products, diesel locomotives, rolling stock and ships from Yugoslavia and exports from India of iron and manganese ores, coffee, mica and shellac, also envisages a much higher level of trade between the two countries and closer scientific and technical co-operation between Indian and Yugoslav industrial organisations.

In general, these agreements are designed to record the desire on the part of the contracting countries to facilitate trade between themselves. They are intended mainly to suggest the possibilities of trade expansion between the two countries, thereby familiarising each country regarding these possibilities and stimulating trade enquiries and contracts. They carry no obligation on the part of either party to make available or purchase the goods specified and, though bilateral, do not necessarily imply bilateral balancing of trade. The agreements are essentially multilateral in character in that they provide for a settlement in sterling of the outstanding balances at the end of the agreement period or on demand, according to the terms of the agreement. Thus these arrangements serve to help the promotion of world trade.

Tariff Commission.—During the year, the Tariff Commission conducted 20 tariff inquiries and 2 price inquiries, details relating to which are set out in Statement 93. Three of the tariff inquiries related to industries seeking protection for the first time and the rest to those seeking continuance of existing protection. Government accepted the Commission's recommendation for the grant of protection in all the three fresh cases and the continuance of existing protection to 9 of the 17 industries that sought extension.

Among the fresh inquiries two cases related to the grant of protection to industries producing component parts of automobiles, namely, diesel fuel injection equipment and piston assembly. Government accepted the Commission's recommendations for the grant of protection to the former till December 31, 1956 and to the latter till December 31, 1957 as well as the standard rates of protective duties specified by the Commission of 60 per cent and 50 per cent *ad valorem*, respectively, preferential duties being chargeable in accordance with the terms of the Indo-U.K. Trade Agreement. In the third case, namely, engineers steel files industry, Government agreed to the Commission's suggestion for the grant of protection upto December 31, 1959 at rates between Rs. 7 and Rs. 34 per ton depending on the size of the steel files and rasps.

The Commission's recommendations for the continuation of protection at the existing rates to the hydroquinone, soda ash, titanium dioxide, artificial silk and cotton and artificial silk mixed fabrics, automobile sparking plug and aluminium industries and at slightly altered rates of duties to 3 industries namely, grinding wheels, machine screws and electric motors were accepted by Government with slight modifications in two cases. Thus, in respect of soda ash and titanium dioxide industries Government modified the nature and quantum of duties recommended by the Commission by changing the *ad valorem* duty into a specific duty on soda ash and enhancing slightly the preferential and standard duties applicable to titanium dioxide, from 25 1/5 per cent *ad valorem* plus one-fourth of the duty for British manufactures and 35 1/5 per cent *ad valorem* plus one-fourth of the duty for non-British manufactures to 34 per cent and 44 per cent *ad valorem*, respectively, without surcharge.

Government also accepted the Commission's suggestion for termination of protection after December 31, 1955 to calcium chloride, alloy, tool and special steels, motor vehicle battery, sodium thiosulphate, sodium sulphite and sodium bisulphite, starch, glucose, steel baling hoops and coated abrasives industries. Government further decided to reduce slightly the duties on glucose and steel baling hoops. The Commission's recommendation for the decontrol of cotton baling hoops, however, was not accepted by Government. Three industries, namely, starch, glucose and coated abrasives were permitted to apply for protection afresh, if at any time they were not able to meet foreign competition. The glucose industry, in particular, was permitted to apply again for a review of its case, after modernising its equipment and processes and effecting the necessary improvement in the quality of the product.

The two price inquiries completed during the year related to the fixing of fair prices for rubber tyres and tubes and the fixation of a uniform retention price for steel produced by the Tata Iron and Steel Co. and the Indian Iron and Steel Co. The Commission recommended a uniform reduction by 11 per cent in the current

net dealer prices and list prices of rubber tyres and tubes in case the excise duty continued at the existing rate, namely, the list price less discount of 10 per cent, or reduction by 11.56 per cent if the basis of excise duty was changed to take into account the year-end discount of 2½ per cent in addition to the 10 per cent. Government accepted the revision by the manufacturing companies of the list prices of rubber tyres and tubes on the basis of the formula suggested by the Commission with effect from October 10, 1955. In respect of the other enquiry, the Commission recommended, and Government also accepted, the fixation of retention prices of steel produced by the two companies at a uniform rate of Rs. 393 per ton for the five years ending 1959-60.

IX. CURRENCY AND COINAGE

Circulation of India Notes.—The rising trend in currency circulation (a reference to which has already been made in Chapter IV) noticed since 1953-54 became more pronounced during 1955-56. Unlike in the previous two years, when notes alone accounted for the currency expansion, rupee coin (including Government of India one rupee notes) and small coin showing declines, the expansion during 1955-56 occurred to the extent of about 5 per cent in the form of rupee coin and small coin (*vide* Statement 94). The rise in note circulation during the year (Rs. 190 crores) was more than double the increase in 1954-55 (Rs. 91 crores) and over three and half times that in 1953-54 (Rs. 53 crores). Total notes in circulation at the end of 1955-56 amounted to Rs. 1,423 crores*—a rise of about 18 per cent over the Plan period.

Denomination-wise, all the notes in circulation registered increases, the total of such increases during the calendar year 1955† amounting to Rs. 144 crores. With further issues during the year of the new high denomination notes of Rs. 1,000, Rs. 5,000 and Rs. 10,000 introduced from April 1954, their proportions to total notes in circulation increased. Thus, the share of the Rs. 1,000 denomination rose from 2.6 per cent at the end of 1954 to 4.1 per cent at the end of 1955, the corresponding figures for the Rs. 5,000 denomination being 0.4 per cent and 0.7 per cent, and for the Rs. 10,000 denomination 0.1 per cent and 0.4 per cent. As during 1954, the Rs. 1,000 note continued to be the most popular among the high denomination notes, its circulation at the end of 1955 amounting to Rs. 56 crores, as against Rs. 10 crores for the Rs. 5,000 note and Rs. 6 crores for the Rs. 10,000 note. The share of the Rs. 100 denomination, which had declined from 43.0 to 40.9 per cent in 1954 dropped further to 40.1 per cent in 1955, while that of the Rs. 10 denomination also declined further from 41.6 per cent to 41.0 per cent, although this denomination continued to be the most popular denomination in circulation. Among the smaller denominations, the share of 5 rupee notes has been continuously declining from 14.1 per cent in 1950 to 12.3 per cent in 1954 and further to 11.6 per cent in 1955. The share of 2 rupee notes has been remarkably steady at a little above 2 per cent (*vide* Statement 95).

Circulation of India Rupee Coin.—The downtrend in rupee coin circulation noticed since 1951-52 was reversed during 1955-56, with an increase in circulation of Rs. 9.2 crores. In the preceding four years, the net return aggregated to Rs. 25.5 crores. During 1955-56, except in the three slack season months, July to September 1955, when there was a decline of Rs. 5.5 crores, all the remaining months recorded

* Net of Rs. 43 crores of India notes returned from circulation in Pakistan and awaiting cancellation.

† Data are available on a calendar year basis only.

absorption totalling Rs. 14.7 crores. At the end of 1955-56, the circulation of India rupee coin stood at Rs. 122 crores* as against Rs. 138 crores at the end of 1950-51—a decline of about 12 per cent. On the other hand, during this period, rupee coin holdings of the Reserve Bank of India recorded a rise of Rs. 49 crores to Rs. 103 crores, the bulk of the holding being in one rupee notes. On April 7, 1955, the Reserve Bank received from the Government of India, one rupee notes of the value of Rs. 5 crores in terms of Section 36 (2)† of the Reserve Bank of India Act, against payment of legal tender value.

Circulation of India Small Coin.—The circulation of small coin also recorded an increase (Rs. 1.5 crores) during 1955-56, in contrast to the continuous return noticed since 1949-50 amounting in all to Rs. 17 crores during the six years ended 1954-55. The increase was shared by coins of all denominations, except for pie pieces and half pice coins which showed negligible returns (*vide* Statement 96). Metal-wise, the increase in circulation was accounted for by a rise under nickel coins (Rs. 2.5 crores) and copper coins (Rs. 0.1 crore), which was partially offset by the return from circulation of quaternary silver coins amounting to Rs. 1.1 crores, the total amount of these coins withdrawn from circulation since 1947-48 being Rs. 19 crores.

Hyderabad State Currency.—In accordance with the provisions of the Hyderabad Coinage and Paper Currency, (Miscellaneous Provisions) Act, 1953 (see page 80 of this Report for 1954-55) the Hyderabad currency (i.e. *Hali Sicca* currency) ceased to be legal tender with effect from April 1, 1955. However, in order to enable the public to exchange their holdings of Hyderabad currency for Indian currency, the Union Government had provided conversion facilities at all offices of the Hyderabad State Bank and the Treasuries and .sub-treasuries of the Hyderabad Government for a period of one year from April 1, 1955 to March 31, 1956. While the bulk of the Hyderabad currency has been withdrawn from circulation since the commencement of these withdrawals in January 1950, some amounts still remain with the public and to enable them to exchange their remaining holdings, the Union Government by a notification dated March 24, 1956, extended the existing conversion facilities for a further period of six months upto September 30, 1956. As at the end of March 1956, the circulation

* Since June 7, 1947 by which date all standard silver rupee coin had ceased to be legal tender, 'rupee coin' circulation in India has comprised (i) Government of India one rupee notes issued from July 1940, (ii) quaternary silver rupees issued between December 1940 and June 1946 and (iii) nickel rupees issued from June 1947. Since June 1946, quaternary silver rupee coins are in the process of being withdrawn. Out of coins for Rs. 94 crores outstanding on the date of discontinuance of their issue, coins of the value of Rs. 42 crores were retired from circulation upto March 31, 1956.

† This Section provides that, after the close of any financial year in which the maximum amount of rupee coin held in the assets, as shown in the weekly accounts of the Issue Department of the Reserve Bank, is less than fifty crores of rupees or one-sixth of the total amount of the assets whichever may be greater, the Central Government shall deliver to the Reserve Bank rupee coin upto the amount of such deficiency, but not without its consent exceeding five crores of rupees against payment of legal tender value.

of *Hali Sicca* currency amounted approximately to *Hali Sicca* Rs. 4.07 crores (or India Rs. 3.49 crores), as against *Hali Sicca* Rs. 48 crores (or India Rs. 41 crores) on January 26, 1950.

Replacement of French Indian Currency by Indian Currency.—In the last year's Report, mention was made of the facilities given for the exchange at par of French currency in circulation in the French establishments in India, into Indian currency, consequent on the merger of these establishments with the Indian Union as from November 1, 1954. Although the French currency ceased to be legal tender on April 30, 1955, the facilities for its exchange into Indian currency were made available to the public upto October 15, 1955. The total value of Indian currency issued in exchange for French currency amounted to Rs. 37 lakhs.

Decimalisation of Coinage.—The Bill to amend the Indian Coinage Act, 1906 with a view to adopting the decimal system of coinage, which was introduced in the *Lok Sabha* on May 7, 1955 (see page 81 of last year's Report) was passed on July 29, 1955 and received the President's assent on September 17, 1955. In accordance with a notification issued by the Union Government on May 14, 1956, this Act will come into force from April 1, 1957. As from that date, the rupee coin will be divided into 100 equal units and the unit coin will be designated as *naya paisa*. Thus 100 *naye paise* will make one rupee, the value of which remains the same as at present. By another notification issued on the same date, under Section 6 of the Indian Coinage Act, 1906, the Government of India have given the details regarding the denominations, dimensions, designs and metal composition of the new series of coins. The new series will have the following units: 1 naya paisa, 2 naye paise, 5 naye paise, 10 naye paise, 25 naye paise, 50 naye paise and 100 naye paise. In the new series, the present 2 annas, 1 anna, half-anna and single pice coins will not have exact equivalents with the new coins, but their places will be taken by 10 naye paise, 5 naye paise, 2 naye paise and 1 naya paisa, respectively. The 100, 50 and 25 naye paise coins will be minted in pure nickel, 10, 5 and 2 naye paise coins in cupro-nickel alloy (75% copper and 25% nickel), and the one naya paisa coin in bronze. The obverse side of all the new coins will have the design of the lion capital of the Asoka Pillar with the terms 'Bharat' in Hindi and 'India' in English inscribed on them. The reverse side of all the new coins will indicate the year in which the coins are produced and their value in naye paise specified in international numerals. Further, on each coin, the number of such coins required to make one rupee will be indicated.

The current coins will continue to be legal tender for about three years after the introduction of the new coins but will be gradually withdrawn from circulation. The Central Government also propose to organise an extensive country-wide propaganda and publicity campaign to popularise the new coinage and to facilitate a smooth change-over to the new system.

Purchase and Sale of Pakistan Currency.—In the 1951-52 Report, reference was made to (i) the resumption, as from February 27, 1951, by the Reserve Bank's offices, of *ready* transactions in Pakistan currency with authorised dealers in India at the buying and selling rates of Pakistan Rs. 69-8-3 and Pakistan Rs. 69-6-6, respectively, for Indian Rs. 100 and (ii) the facilities for the purchase and sale of Pakistan currency for six months' *forward* delivery as from April 16, 1951 at the buying and selling rates of Pakistan Rs. 69-9-0 and Pakistan Rs. 69-5-9, respectively, for Indian Rs. 100. With the devaluation of the Pakistan rupee and its restoration to parity with the Indian rupee from July 31, 1955, these rates for the purchase and sale of Pakistan rupees from and to authorised dealers by the Reserve Bank's offices were revised. The revised buying and selling rates for *ready* transactions are Pakistan Rs. 100-0-6 and Pakistan Rs. 99-15-6, respectively, for Indian Rs. 100, and those for *forward* transactions, Pakistan Rs. 100-1-0 and Pakistan Rs. 99-15-0, respectively for Indian Rs. 100.

Cessation of the Legal Tender Character of Notes not bearing the Asoka Pillar Emblem.—The issue of currency notes of the Government of India and bank notes not bearing the Asoka Pillar emblem in the design and in the water mark had been discontinued since 1950 and the number of such notes now left in circulation is very small. In view of this and also of the changed political set-up, the Government of India, by a notification issued on April 29, 1956, announced that such currency notes shall, on the expiry of six months from the date of issue of this notification, cease to be legal tender, save at the branches of the Issue Department of the Reserve Bank of India, such branches of the State Bank of India, Hyderabad State Bank and the Bank of Mysore, which are acting as agents of the Reserve Bank, and at Government Treasuries and sub-treasuries.

Old Notes.—The value of notes written off under Section 34* of the Reserve Bank of India Act amounted to Rs. 1,39,900 during 1955-56, as against Rs. 1,14,200 in the previous year. Notes, which had been written off in the previous years under this Section, but which were subsequently presented for payment and paid by the Banking Department of the Bank, amounted to Rs. 1,670 during the year, as against Rs. 7,230 last year.

Lost, Destroyed and Mutilated Notes.—Claims in respect of lost, destroyed and mutilated notes admitted at the Bank's offices during the year amounted to Rs. 54 lakhs and the actual payments made against them to Rs. 49 lakhs (*vide* Statement 99).

* Section 34 of the Reserve Bank of India Act provides that any currency note or Bank note, which has not been presented for payment within 40 years from its date of issue, shall be deemed to be no longer in circulation.

Note Forgeries.—During 1955-56, the total number of forged notes (including Government of India one rupee notes) received by the Bank amounted to 9,496 as compared to 13,210 in 1954-55 (*vide* Statement 100). Statement 101 gives particulars regarding prosecutions on account of note forgeries.

Coinage.—During the year, there was no coinage of whole rupees. In 1954-55 the mintage of whole (nickel) rupees amounted to Rs. 6 lakhs, while during the previous three years there had been no mintage. Subsidiary coins of the value of Rs. 2.60 crores were minted during 1955-56, which was about the same as in 1954-55 (Rs. 2.58 crores) (*vide* Statement 102). Apart from the minting of coins, the Bombay mint was busy during the year in preparing the designs, matrices, punches and dies required for the manufacture of the new coins to be put into circulation under the decimal system of coinage. Statement 104 gives the description of the coins in active circulation as at the end of March 1956.

As during the previous years, the India Government mints continued to undertake coinage for foreign countries, the number of coins thus minted during 1955-56 being substantially higher at 121.0 lakhs as against 8.2 lakhs in 1954-55.

Withdrawal of Silver, Cupro-nickel and Copper Coins.—The total value of uncurrent coin withdrawn from circulation during 1955-56 amounted to Rs. 2 lakhs, and of badly worn and defaced coins to Rs. 110 lakhs (*vide* Statement 105).

Counterfeit Coins.—The number of counterfeit coins cut at Treasuries and railway stations during the year was 1.7 lakhs, as against 1.4 lakhs in 1954-55 (*vide* Statement 106).

APPENDIX I

THE SECOND FIVE YEAR PLAN

(SUMMARY)

Objectives

The central objective of public policy and of national endeavour in India since Independence has been promotion of rapid and balanced economic development. The First Five Year Plan which ended in March 1956 was intended as a step in that direction. It laid the foundations for achieving the socialist pattern of society, which could be said to be a more concretised expression of the directive principles of State policy embodied in the Constitution. The Second Five Year Plan, which was submitted to Parliament on May 15, 1956, has to carry forward the process initiated in the First Plan period. Within this broad approach, the Plan has been formulated with the following main objectives in view :—

(*i*) a sizeable increase, of the order of 25 per cent, in national income so as to raise the level of living in the country ;

(*ii*) rapid industrialisation with particular emphasis on the development of basic and heavy industries ;

(*iii*) a large expansion of employment opportunities ; and

(*iv*) reduction of inequalities in income and wealth and a more even distribution of economic power.

These objectives are inter-related and have to be viewed as part of an integrated plan for the balanced development of the economy.

The core of development is rapid industrialisation and diversification of the economy. Rapid industrialisation depends upon the development of basic industries like iron and steel, non-ferrous metals, coal, cement, heavy chemicals and engineering. But investment in basic industries, while it creates demand for consumer goods, does not increase the supply of consumer goods in the short run ; nor does it directly absorb any large quantities of labour. Consequently, a balanced pattern of industrialisation is needed so as to increase supplies of the required consumer goods with labour intensive techniques which also economise the use of scarce capital. Considering the prevailing volume of unemployment and its social costs, increase in employment opportunities becomes an important objective in itself. Hence the justification for special measures to increase labour-intensive and capital-saving employment. But, over a period, the volume of employment grows only with the expansion of productive equipment and of wage goods like food, cloth, sugar and house-room on which the incomes of the newly employed come to be spent. The objective is, therefore, increasing employment at rising levels of income.

Industrial Policy

The acceptance by Parliament of the 'socialist pattern of society' as the objective of social and economic policy, the progress of economic development under the First Five Year Plan and the projected further rapid development under the Second Five Year Plan have necessitated a revision of the industrial policy of Government. The Industrial Policy Resolution presented to the *Lok Sabha* by the Prime Minister on April 30, 1956, replaces the original Resolution of April 1948 which had hitherto guided the industrial policy of Government. The Resolution accordingly stresses the need to accelerate the rate of economic growth, to speed up rapid industrialisation, to expand the public sector and to build up a large and growing co-operative sector. A more positive and greater role has been assigned to the public sector. At the same time, as an agency for planned economic development, the private sector is to have the opportunity to develop and expand. The Resolution also recognises the important role which the small-scale and village industries have to play in the development of the national economy, particularly in the solution of the employment problem and a more equitable distribution of the national income. (The full text of the Resolution is given in Appendix II).

Reduction in Inequalities

Economic development has to be combined with reduction in economic and social inequalities as between persons, classes and regions, by simultaneously raising incomes at the lowest levels and reducing incomes at the top, the former being the more important aspect. Again, the reduction of inequalities can follow only from the totality of measures and institutional changes undertaken as part of the Plan, such as the pattern of investment, direction to economic activity given by State action, expansion of social services, institutional changes in land ownership and management, regulation of joint stock companies and the managing agency system, growth of the co-operative sector under State sponsorship and fiscal measures. While fiscal measures have an important part to play in reducing inequalities, some of the measures which reduce inequalities are apt to react adversely on incentives. The adaptation of the tax system to the requirements of development is a problem for continuous study, and it is possible that far-reaching changes in the tax system will be required. The proposals which require detailed examination include an expenditure tax, gift taxes and fixation of a ceiling on incomes. As regards the last proposal, the realistic approach is not through legislation but through institutional changes such as control of private monopoly, enlargement of the public sector and of co-operative production, provision of institutional credit, elimination of functionless rent-receivers, and progressive adaptation of the tax system. Thus, a ceiling on incomes is the end-product rather than the beginning of a whole process.

In any comprehensive plan of development, it is axiomatic that the special needs of the less developed areas should receive due attention. The National

Development Council have stressed the need for balanced regional development through decentralised industrial production, appropriate policy on industrial location and measures to promote greater mobility of labour; this approach underlies the new Industrial Policy Resolution.

Economic Policy and Techniques

There are, broadly, two types of complementary techniques available, and equally necessary, for implementing the Plan, namely (1) fiscal and monetary policy for the overall regulation of economic activity, and (2) direct controls on prices, exports, imports, licensing of industries or trades, allocations etc., to regulate particular sectors of the economy. In a developing economy, the basic trend of governmental operations is expansionist. With the many contingent demands on resources and the likelihood of bottlenecks, e.g. in agricultural production and foreign exchange, the problem in the main is one of containing the emerging inflationary pressures by increasing domestic production, supplemented by imports to a limited extent, and through appropriate physical controls and allocations. The techniques to be employed, fiscal and monetary policies or direct controls, have also to be varied in the light of requirements.

Planning is not a once-for-all exercise for a five-year period. It should combine flexibility and perspective so as to take into account not only new requirements within the period but also to lay the foundations for subsequent plans.

Plan Outlay and Allocations

The Second Plan is in one sense a continuation of the process of development commenced in the First Plan ; but there is inevitably a shift in priorities, with accent on industrialisation, particularly on heavy industries, and on transport.

The proposed developmental outlay of the Central and State Governments amounts to Rs. 4,800 crores over the period of the Second Plan, as compared with the target of Rs. 2,356 crores under the First Plan, though actual outlay is estimated to have been somewhat below Rs. 2,000 crores. This does not include the contributions in cash or kind made by people in execution of local developmental works. The distribution of the outlay by major heads of development (See Table 1) indicates the relative shift in priorities as between the First Plan and the Second Plan. It will be seen that while the absolute amount of outlay shows a sizeable increase under all heads, as a proportion of total outlay there is a significant increase under the head 'Industry and Mining' from 7.6 per cent in the First Plan to 18.5 per cent. 'Transport and Communications' also shows a rise from 23.6 per cent to 28.9 per cent. The relative shares of all the other groups show a decline.

Of the total developmental outlay of Rs. 4,800 crores, Rs. 2,559 crores represents expenditure to be incurred by the Centre, and Rs. 2,241 crores is the total of Plan expenditures of all State Governments. The distribution of the outlay under major heads of development is shown for the Centre and States separately in Table 2.

Table 1

Distribution of Plan Outlay by Major Heads of Development

	First Five Year Plan		*Second Five Year Plan*		
	Total provision (Rs. crores)	Per cent	Total provision (Rs. crores)	Per cent	*Per cent increase of (4) over (2)*
(1)	(2)	(3)	(4)	(5)	*(6)*
I. AGRICULTURE & COMMUNITY DEVELOPMENT	**357**	**15.1**	**568**	**11.8**	*59.1*
(*a*) Agriculture	241	10.2	341	7.1	
Agricultural Programmes ..	197	8.3	170	3.5	
Animal Husbandry	22	1.0	56	1.1	
Forests	10	0.4	47	1.0	
Fisheries	4	0.2	12	0.3	
Co-operation	7	0.3	47	1.0	
Miscellaneous	1	..	9	0.2	
(*b*) National Extension and Community Projects	90	3.8	200	4.1	
(*c*) Other Programmes	26	1.1	27	0.6	
Village Panchayats	11	0.5	12	0.3	
Local Development Works ..	15	0.6	15	0.3	
II. IRRIGATION AND POWER ..	**661**	**28.1**	**913**	**19.0**	*38.1*
Irrigation	384	16.3	381	7.9	
Power	260	11.1	427	8.9	
Flood control and other projects investigations, etc.	17	0.7	105	2.2	
III. INDUSTRY & MINING	**179**	**7.6**	**890**	**18.5**	*397.2*
Large and Medium Industries ..	148	6.3	617	12.9	
Mineral development	1	..	73	1.5	
Village and Small industries ..	30	1.3	200	4.1	
IV. TRANSPORT AND COMMUNICATIONS	**557**	**23.6**	**1,385**	**28.9**	*148.7*
Railways	268	11.4	900	18.8	
Roads	130	5.5	246	5.1	
Road Transport	12	0.5	17	0.4	
Ports and Harbours	34	1.4	45	0.9	
Shipping	26	1.1	48	1.0	
Inland Water Transport	..	..	3	0.1	
Civil Air Transport	24	1.0	43	0.9	
Other Transport	3	0.1	7	0.1	
Posts and Telegraphs	50	2.2	63	1.3	
Other Communications	5	0.2	4	0.1	
Broadcasting	5	0.2	9	0.2	
V. SOCIAL SERVICES	**533**	**22.6**	**945**	**19.7**	*77.3*
Education	164	7.0	307	6.4	
Health	140	5.9	274	5.7	
Housing	49	2.1	120	2.5	
Welfare of backward classes ..	32	1.3	91	1.9	
Social Welfare	5	0.2	29	0.6	
Labour and labour welfare ..	7	0.3	29	0.6	
Rehabilitation	136	5.8	90	1.9	
Special schemes relating to educated unemployment ..	..	..	5	0.1	
VI. MISCELLANEOUS	**69**	**3.0**	**99**	**2.1**	*43.5*
Total	**2,356**	**100.0**	**4,800**	**100.0**	

Table 2

Distribution of Plan Outlays

(Crores of Rupees)

	Centre	Part A States	Part B States	Part C States*	Total	Investment Outlay	Current Outlay
I. Agriculture & Community Development	65	359	112	31	**568****	338	230
II. Irrigation and Power	105	567	217	24	**913**	863	50
III. Industry and Mining ..	747	99	37	7	**890**	790	100
IV. Transport & Communications	1203	120	41	21	**1385**	1335	50
V. Social Services	396	393	117	39	**945**	455	490
VI. Miscellaneous	43	42	11	3	**99**	19	80
Total	**2559**	**1580**	**535**	**125**	**4800**	**3800**	**1000**

* Including Andaman and Nicobar Islands, NEFA, and Pondicherry.
** Includes the unallocated portion of Rs. 1 crore for NES and Community Projects in States.

Of the total outlay, roughly Rs. 3,800 crores represents investment, i.e. expenditure on the building up of productive assets, and Rs. 1,000 crores is what may broadly be called current developmental expenditure.

The likely level of private investment over the Second Plan period, estimated mainly on the basis of the broad investment trends over the last five years and the known investment programmes in certain lines, might be placed at Rs. 2,400 crores, distributed as follows :—

(Crores of Rupees)

1. Organised Industry and Mining	575
2. Plantations, electricity undertakings and transport other than railways.. ..	125
3. Construction	1000
4. Agriculture, and village and small-scale industries	300
5. Stocks	400

In the First Plan, total investment in the economy is estimated roughly at about Rs. 3,100 crores, the ratio of public to private investment being 50 : 50 ; in the Second Plan the target of investment in the two sectors combined is Rs. 6,200 crores, the ratio of public to private investment being 61 : 39.

The targets of production and development, in physical terms, are set out below in respect of some important items.

Table 3

Main Targets of Production and Development

Sector and Item	Unit	1950-51	1955-56	1960-61	*Percentage increase in 1960-61 over 1955-56*
1	2	3	4	5	6
I. Agriculture					
1. Foodgrains	(million tons)	54.0*	65.0	75.0	*15*
2. Cotton	(„ bales)	2.9	4.2	5.5	*31*
3. Sugarcane-raw gur	(„ tons)	5.6	5.8	7.1	*22*
4. Oilseeds	(„ tons)	5.1	5.5	7.0	*27*
5. Jute	(„ bales)	3.3	4.0	5.0	*25*
6. Tea	(„ pounds)	613	644	700	*9*
7. National Extension Blocks	(Nos.)	Nil	500	3,800	*660*
8. Community Development Blocks	(Nos.)	Nil	622	1,120	*80*
II. Irrigation and Power					
1. Area irrigated	(million acres)	51	67	88	*31*
2. Electricity (installed capacity)	(million kw)	2.3	3.4	6.9	*103*
III. Minerals					
1. Iron Ore	(million tons)	3.0	4.3**	12.5	*191*
2. Coal	(„)†	32.3	38.0	60.0	*58*
IV. Large-Scale Industries					
1. Finished steel	(million tons)	1.1	1.3	4.3	*231*
2. Aluminium	(000 tons)	3.7	7.5	25.0	*233*
3. Automobiles	(Nos.)	16,500	25,000	57,000	*128*
4. Railway Locomotives	(Nos.)	3	175	400	*129*
5. Cement	(million tons)	2.7	4.3	13	*202*
6. Fertilisers :—					
(*a*) Nitrogenous (in terms of Ammn. Sulphate)	(000 tons)	46	380	1,450	*282*
(*b*) Phosphatic (in terms of super-phosphate)	(000 tons)	55	120	720	*500*
7. Cotton textiles	(million yards)	4,618	6,850	8,500	*24*
8. Sugar	(million tons)	1.1	1.7	2.3	*35*
9. Paper & Paper Board	(000 tons)	114	200	350	*75*
V. Transport and Communications					
(*a*) Railways :					
(1) Passenger train miles	(millions)	95	108	124	*15*
(2) Freight carried	(million tons)	91	120	162	*35*
(*b*) Roads :					
(1) National Highways	(000 miles)	12.3	12.9	13.8	*7*
(2) Surfaced Roads	(000 miles)	97.0	107.0	125.0	*17*
(*c*) Post Offices	(000 Nos.)	36	55	75	*36*
VI. Education and Health:					
1. Elementary/Basic Schools	(lakhs)	2.23	2.93	3.50	*19*
2. Teachers in Primary/- Middle Secondary Schools	(lakhs)	7.4	10.3	13.4	*30*
3. Medical Institutions	(000 Nos.)	8.6	10	12.6	*26*

* Relates to the year 1949-50.

** Relate to the calendar year 1954.

† Figures relate to calender years.

National Income, Consumption and Employment

The expected increase in national income, investment, domestic savings and consumption expenditure, at the end of the Second Plan period as compared to the position in 1950-51 and in 1955-56, is broadly indicated below.

Table 4

Net National Product by Industrial Origin

(Crores of Rupees at 1952–53 prices)

	1950-51	1955-56	1960-61	*Percentage Increase during* 1951-56	*Percentage Increase during* 1956-61
1. Agriculture and Allied Pursuits	4450	5230	6170	*18*	*18*
2. Mining	80	95	150	*19*	*58*
3. Factory Establishments	590	840	1380	*43*	*64*
4. Small Enterprises	740	840	1085	*14*	*30*
5. Construction	180	220	295	*22*	*34*
6. Commerce, Transport, and communications	1650	1875	2300	*14*	*23*
7. Professions and Services including Government Administration ..	1420	1700	2100	*20*	*23*
8. Total National Product (National Income)	9110	10,800	13,480	*18*	*25*
9. Per Capita Income (Rs.)	254	281	330	*11*	*18*
Investment, Savings and Consumption					
1. Net Investment	448	790	1440	..	..
2. Net Inflow of Foreign Resources	—7	34	130	..	..
3. Net Domestic Savings	455	756	1310	..	..
4. Consumption Expenditure (National Income less Net Domestic Savings)	8665	10,044	12,170	..	..
5. Investment as per cent of National Income	4.94	7.31	10.69	..	..
6. Domestic Savings as per cent of National Income	4.98	7.00	9.72	..	..

The average level of consumption in the economy will increase somewhat less rapidly than national income inasmuch as a larger proportion of domestic output will have to be saved and invested. The projected total investment of Rs. 6,200 crores during the Second Plan period requires, broadly, an increase in the rate of domestic saving from the current level of about 7 per cent of national income to about 10 per cent in 1960-61, assuming that, in addition, external resources of the order of Rs. 1,100 crores will be available during the period. Total consumption expenditure may, on this assumption, increase by some 21 per cent as against the increase in national income of 25 per cent. The corresponding increase in total consumption over the First Plan period amounts to some 16 per cent, and that in national income to about 18 per cent. But both the growth in consumption and in national income will be conditional on a number of assumptions such as availability of foreign resources of the required order, co-ordination of planning, avoidance of waste, and the degree of co-operation from the people in taking to improved methods of production and for creating a favourable climate for development.

The estimated full-time employment likely to be generated over the Second Plan period in sectors other than agriculture is 8 million. Besides, schemes of development such as irrigation and land reclamation will reduce under employment and also absorb new persons to some extent. Altogether, in aggregative terms, the Plan envisages a sufficient increase in the demand for labour to match the increase in the labour force estimated at 10 million during the Second Plan period.

Finance and Foreign Exchange

The problem of mobilising resources has to be viewed in the light of the requirements both of the public and of the private sectors, as they both draw upon the same pool of savings, and care has to be taken to ensure an adequacy not only of domestic finance but also of foreign exchange. The basic issue is whether and how domestic savings to the requisite extent can be mobilised. This, in turn, depends on the desirability of limiting consumption beyond a point and the suitability of the means to be used for the purpose. Moreover, the necessity of importing the required machinery and equipment from abroad in the early stages of industrialisation presents the special problem of foreign exchange resources.

Finance for the Public Sector

The following table sets out the scheme of financing envisaged under the Plan.

Table 5

Estimates of Resources

(Crores of Rupees)

1.	Surplus from current revenues :		800
	(*a*) at 1955-56 rates of taxation	350	
	(*b*) additional taxation	450	
2.	Borrowings from the public		1200
	(*a*) Market loans	700	
	(*b*) Small savings	500	
3.	Other budgetary sources :		400
	(*a*) Railway's contribution to the development programme	150	
	(*b*) Provident funds and other deposit heads	250	
4.	Resources to be raised externally		800
5.	Deficit financing		1200
6.	Gap—to be covered by additional measures to raise domestic resources ..		400
			4800

The budgetary resources that can be raised through taxation, borrowing and other receipts thus amount to Rs. 2,400 crores. In arriving at the figure of Rs. 450 crores under additional taxation, the recommendations of the

Taxation Enquiry Commission have been taken into account and it has been assumed that steps will be taken to implement these as early as possible after the commencement of the Plan. The Central and State Governments are expected to raise between them a total of Rs. 450 crores in equal amounts. Should there be increases in non-developmental expenditure such as on defence and administration or significant loss of revenue on account of the adoption of social measures such as prohibition, effort will have to be made to raise further resources, if the contribution of current revenue to the Plan is not to be reduced.

The proportion of tax revenue to national income in India has been virtually constant at 7.5 per cent over several years. Considering the financial requirements of the Second Plan, which are much larger than were assumed by the Taxation Enquiry Commission and the dangers of deficit financing or of any cut-back in Plan expenditures, the target for additional taxation has to be raised from Rs. 450 crores to Rs. 850 crores, so as to cover the gap of Rs. 400 crores. Taxation has, however, its limits and has to be supplemented by other devices such as appropriate pricing policies of public enterprises or fiscal monopolies in selected lines, and economies in both Plan and non-Plan expenditures.

The estimate of Rs. 700 crores of borrowing from the public assumes that the annual receipts from this source will, on an average, be about 40 per cent higher than they have been of late. It should also be borne in mind that, in the Second Plan period, loans for a total of Rs. 430 crores mature. Judged in this light, and especially in the context of brisk demand for funds in the private sector, the task of mobilising a net amount of Rs. 700 crores cannot be regarded as easy of fulfilment. In this connection, the possibility of extending the scope of social security schemes must be fully explored. The nationalisation of life insurance should also prove a growing source of demand for public loans. In the case of small savings also, the target of Rs. 100 crores a year on an average will require a further substantial stepping up of these collections, as compared with net receipts of Rs. 65 crores in 1955-56 and Rs. 33 crores in 1950-51.

The railways are expected to contribute Rs. 150 crores to the finance of their plan of Rs. 900 crores, both through selective adjustments in rates and freights and the growth of traffic at existing rates. In addition, the railways have to make in the Plan period a contribution of Rs. 225 crores for current depreciation, which has not been included in the Plan.

The Plan also takes credit for Rs. 800 crores of external resources, which is about four times the utilisation of foreign loans and grants during the First Plan period. It is extremely difficult to forecast the foreign exchange requirements and

earnings over a period of five years. But broadly speaking, on certain assumptions including, in particular, that the terms of trade in the next five years will remain, on an average, the same as they have been in 1955-56 (first nine months) and that inflationary pressures will be held firmly under control, it is estimated that during the Second Plan period there would be an aggregate balance of payments deficit on current account of about Rs. 1,100 crores. It is proposed to cover a part of the deficit by drawing down the sterling balances by about Rs. 200 crores; this compares with the decline of Rs. 140 crores in India's sterling balances in the First Plan period. The gap of Rs. 900 crores in foreign exchange has to be covered by floatation of loans in foreign markets, by borrowing from the World Bank, by loans and grants from other international institutions, through private foreign investment and finally through loans and grants from friendly foreign governments. Out of this sum, an inflow of foreign capital of the order of Rs. 100 crores has been envisaged for the investment programmes in the private sector. For the public sector, therefore, a credit of Rs. 800 crores is taken by way of external resources. In the First Plan period, a total of Rs. 298 crores of external finance was made available to India for programmes of development in the public sector, of which Rs. 204 crores is estimated to have been utilised. The balance of Rs. 94 crores is thus available for utilisation in the Second Plan period. In addition, arrangements have been made for credits from the U.S.S.R. Government and the U.K. Government and British bankers for a net amount of Rs. 76 crores* to finance the steel projects. As for the private sector, Rs. 22 crores is already available as the undisbursed portion of the loan made by the World Bank to the Indian Iron and Steel Company, the Tata Hydro-electric Company and the Industrial Credit and Investment Corporation of India.

The outside limit to deficit financing is placed at Rs. 1,200 crores. In assessing the likely reactions of the proposed deficit financing, it may be noted that against the proposed deficit must be set off the drawing down of sterling balances by Rs. 200 crores. The remaining deficit of Rs. 1000 crores represents the net addition to currency in response to the Government's budgetary operations, which may be expected also to result in a secondary expansion of bank credit, though the ability of banks to create such credit is limited by the fact that people in India have a distinct preference for holding currency rather than bank money. Any adverse repercussions of deficit financing will have to be dealt with in all possible ways—by appropriate Central banking policy through judicious recourse to quantitative and qualitative controls on credit, including variation in reserve ratios, by the building up of adequate stocks of essential goods like food and cloth, through taxes on excess profits, windfall gains, and on excess consumption in certain lines, and physical controls including allocations and rationing of scarce resources.

* After allowing for repayment of Rs. 20 crores of U. S. S. R. credit of Rs. 63 crores.

Investment in the Private Sector

The investment requirements of the private sector are estimated at Rs. 2,400 crores. It is difficult to indicate the sources of savings for this sector, as only a small proportion of the total savings utilised in this sector passes through institutional agencies, and as what may be termed direct savings,—savings of the persons undertaking the investment or the savings of their friends and relatives—play a prominent part. However, on certain broad assumptions, an estimate of resources for the organised sector of private industry is possible. Considering the fairly high rate of investment already achieved in organised industries and the increasing strength of the capital market, it should not be difficult to raise the required resources for fixed investment. There should be even less difficulty in obtaining working capital to the extent required in view of the size of deficit financing. The State can assist in the fulfilment of the programmes in this sector partly by eliminating undesirable investment through control of capital issues, export and import control, licensing of industries, and partly through tax concessions and adjustments, and selective assistance through the various corporations which have been set up for the purpose.

A total outlay of Rs. 720 crores is envisaged on industrial development in the private sector (including the National Industrial Development Corporation programme,* and excluding mining, electric generation and distribution, plantations and small scale industries), comprising Rs. 570 crores on new investments and Rs. 150 crores on replacements and modernisation. Excluding provision of Rs. 55 crores at present made for N.I.D.C., requirements amount to Rs. 665 crores, against which present estimate of resources for the private sector place them at Rs. 620 crores, as follows:

(Crores of Rupees)

	1951-56	1956-61
Loans from Industrial Finance Corporation and State Finance Corporations and Industrial Credit and Investment Corporation	18	40
Direct and indirect loans from governments, Central and State participation	26	20
Foreign capital, including suppliers' credit	42-45	100
New Issues	40	80
Internal resources (for new investment and replacements)	150	300
Other sources such as advances from managing agents, EPT refunds etc.	61-64	80
Total ..	340	620

* A provision of Rs. 55 crores is at present made for the National Industrial Development Corporation ; about Rs. 20-25 crores of this is expected to be utilised for assisting the modernisation of the cotton and jute textile industries.

APPENDIX II

GOVERNMENT OF INDIA

INDUSTRIAL POLICY RESOLUTION

(April 30, 1956)

No. 91/CF/48.—The Government of India set out in their Resolution dated the 6th April, 1948, the policy which they proposed to pursue in the industrial field. The Resolution emphasised the importance to the economy of securing a continuous increase in production and its equitable distribution, and pointed out that the State must play a progressively active role in the development of industries. It laid down that besides arms and ammunition, atomic energy and railway transport, which would be the monopoly of the Central Government, the State would be exclusively responsible for the establishment of new undertakings in six basic industries—except where, in the national interest, the State itself found it necessary to secure the co-operation of private enterprise. The rest of the industrial field was left open to private enterprise though it was made clear that the State would also progressively participate in this field.

2. Eight years have passed since this declaration on industrial policy. These eight years have witnessed many important changes and developments in India. The Constitution of India has been enacted, guaranteeing certain Fundamental Rights and enunciating Directive Principles of State Policy. Planning has proceeded on an organised basis, and the first Five Year Plan has recently been completed. Parliament has accepted the socialist pattern of society as the objective of social and economic policy. These important developments necessitate a fresh statement of industrial policy, more particularly as the second Five Year Plan will soon be placed before the country. This policy must be governed by the principles laid down in the Constitution, the objective of socialism, and the experience gained during these years.

3. The Constitution of India, in its preamble, has declared that it aims at securing for all its citizens—

> " JUSTICE, Social, economic and political;
>
> LIBERTY of thought, expression, belief, faith and worship;
>
> EQUALITY of status and of opportunity; and to promote among them all ;
>
> FRATERNITY assuring the dignity of the individual and the unity of the Nation."

In its Directive Principles of State Policy, it is stated that—

> " The State shall strive to promote the welfare of the people by securing and protecting as effectively as it may a social order in which justice, social, economic and political, shall inform all the institutions of the national life."

Further that—

"The State shall, in particular, direct its policy towards securing—

(*a*) that the citizens, men and women equally, have the right to an adequate means of livelihood;

(*b*) that the ownership and control of the material resources of the community are so distributed as best to subserve the common good;

(*c*) that the operation of the economic system does not result in the concentration of wealth and means of production to the common detriment;

(*d*) that there is equal pay for equal work for both men and women;

(*e*) that the health and strength of workers, men and women, and the tender age of children are not abused and that citizens are not forced by economic necessity to enter avocations unsuited to their age or strength;

(*f*) that childhood and youth are protected against exploitation and against moral and material abandonment."

4. These basic and general principles were given a more precise direction when Parliament accepted in December, 1954, the socialist pattern of society as the objective of social and economic policy. Industrial policy, as other policies, must therefore be governed by these principles and directions.

5. In order to realise this objective, it is essential to accelerate the rate of economic growth and to speed up industrialisation and, in particular, to develop heavy industries and machine making industries, to expand the public sector, and to build up a large and growing co-operative sector. These provide the economic foundations for increasing opportunities for gainful employment and improving living standards and working conditions for the mass of the people. Equally, it is urgent, to reduce disparities in income and wealth which exist today, to prevent private monopolies and the concentration of economic power in different fields in the hands of small numbers of individuals. Accordingly, the State will progressively assume a predominant and direct responsibility for setting up new industrial undertakings and for developing transport facilities. It will also undertake State trading on an increasing scale. At the same time, as an agency for planned national development, in the context of the country's expanding economy, the private sector will have the opportunity to develop and expand. The principle of co-operation should be applied wherever possible and a steadily increasing proportion of the activities of the private sector developed along co-operative lines.

6. The adoption of the socialist pattern of society as the national objective, as well as the need for planned and rapid development, require that all industries of basic and strategic importance, or in the nature of public utility services, should be in the public sector. Other industries which are essential and require investment on a scale which only the State, in present circumstances, could provide, have also to be in the public sector. The State has therefore to assume direct responsibility for the future development of industries over a wider area. Nevertheless, there are limiting factors which make it necessary at this stage for the State to define the field in which it will undertake sole responsibility for further development, and to make a selection of industries in the development of which it will play a dominant role. After considering all aspects of the problem, in consultation with the Planning Commission, the Government of India have decided to classify industries into three categories, having regard to the part which the State would play in each of them. These categories will inevitably overlap to some extent and too great a rigidity might defeat the purpose in view. But the basic principles and objectives have always to be kept in view and the general directions hereafter referred to followed. It should also be remembered that it is always open to the State to undertake any type of industrial production.

7. In the first category will be industries the future development of which will be the exclusive responsibility of the State. The second category will consist of industries, which will be progressively State-owned and in which the State will therefore generally take the initiative in establishing new undertakings, but in which private enterprise will also be expected to supplement the effort of the State. The third category will include all the remaining industries, and their future development will, in general, be left to the initiative and enterprise of the private sector.

8. Industries in the first category have been listed in Schedule A of this Resolution. All new units in these industries, save where their establishment in the private sector has already been approved, will be set up only by the State. This does not preclude the expansion of the existing privately owned units, or the possibility of the State securing the co-operation of private enterprise in the establishment of new units when the national interests so require. Railways and air transport, arms and ammunition and atomic energy will, however, be developed as Central Government monopolies. Whenever co-operation with private enterprise is necessary, the State will ensure, either through majority participation in the capital or otherwise, that it has the requisite powers to guide the policy and control the operations of the undertaking.

9. Industries in the second category will be those listed in Schedule B. With a view to accelerating their future development, the State will increasingly establish new undertakings in these industries. At the same time private enterprise will also have the opportunity to develop in this field, either on its own or with State participation.

10. All the remaining industries will fall in the third category, and it is expected that their development will be undertaken ordinarily through the initiative and enterprise of the private sector, though it will be open to the State to start any industry even in this category. It will be the policy of the State to facilitate and encourage the development of these industries in the private sector, in accordance with the programmes formulated in successive Five Year Plans, by ensuring the development of transport, power and other services, and by appropriate fiscal and other measures. The State will continue to foster institutions to provide financial aid to these industries, and special assistance will be given to enterprises organised on co-operative lines for industrial and agricultural purposes. In suitable cases, the State may also grant financial assistance to the private sector. Such assistance, especially when the amount involved is substantial, will preferably be in the form of participation in equity capital, though it may also be in part in the form of debenture capital.

11. Industrial undertakings in the private sector have necessarily to fit into the framework of the social and economic policy of the State and will be subject to control and regulation in terms of the Industries (Development and Regulation) Act and other relevant legislation. The Government of India, however, recognise that it would, in general, be desirable to allow such undertakings to develop with as much freedom as possible, consistent with the targets and objectives of the national plan. When there exist in the same industry both privately and publicly owned units, it would continue to be the policy of the State to give fair and non-discriminatory treatment to both of them.

12. The division of industries into separate categories does not imply that they are being placed in water-tight compartments. Inevitably, there will not only be an area of overlapping but also a great deal of dovetailing between industries in the private and the public sectors. It will be open to the State to start any industry not included in Schedule A and Schedule B when the needs of planning so require or there are other important reasons for it. In appropriate cases, privately owned units may be permitted to produce an item falling within Schedule A for meeting their own requirements or as by-products. There will be ordinarily no bar to small privately owned units undertaking production, such as the making of launches and other light-craft, generation of power for local needs and small scale mining. Further, heavy industries in the public sector may obtain some of their requirements of lighter components from the private sector, while the private sector in turn would rely for many of its needs on the public sector. The same principle would apply with even greater force to the relationship between large scale and small scale industries.

13. The Government of India would, in this context, stress the role of cottage and village and small scale industries in the development of the national economy. In relation to some of the problems that need urgent solutions, they offer some

distinct advantages. They provide immediate large scale employment; they offer a method of ensuring a more equitable distribution of the national income and they facilitate an effective mobilisation of resources of capital and skill which might otherwise remain unutilised. Some of the problems that unplanned urbanisation tends to create will be avoided by the establishment of small centres of industrial production all over the country.

14. The State has been following a policy of supporting cottage and village and small scale industries by restricting the volume of production in the large scale sector, by differential taxation, or by direct subsidies. While such measures will continue to be taken, whenever necessary, the aim of the State policy will be to ensure that the decentralised sector acquires sufficient vitality to be self-supporting and its development is integrated with that of large scale industry. The State will, therefore, concentrate on measures designed to improve the competitive strength of the small scale producer. For this it is essential that the technique of production should be constantly improved and modernised, the pace of transformation being regulated so as to avoid, as far as possible, technological unemployment. Lack of technical and financial assistance, of suitable working accommodation and inadequacy of facilities for repair and maintenance are among the serious handicaps of small scale producers. A start has been made with the establishment of industrial estates and rural community workshops to make good these deficiencies. The extension of rural electrification and the availability of power at prices which the workers can afford will also be of considerable help. Many of the activities relating to small scale production will be greatly helped by the organisation of industrial co-operatives. Such co-operatives should be encouraged in every way and the State should give constant attention to the development of cottage and village and small scale industry.

15. In order that industrialisation may benefit the economy of the country as a whole, it is important that disparities in levels of development between different regions should be progressively reduced. The lack of industries in different parts of the country is very often determined by factors such as the availability of the necessary raw materials or other natural resources. A concentration of industries in certain areas has also been due to the ready availability of power, water supply and transport facilities which have been developed there. It is one of the aims of national planning to ensure that these facilities are steadily made available to areas which are at present lagging behind industrially or where there is greater need for providing opportunities for employment, provided the location is otherwise suitable. Only by securing a balanced and co-ordinated development of the industrial and the agricultural economy in each region, can the entire country attain higher standards of living.

16. This programme of industrial development will make large demands on the country's resources of technical and managerial personnel. To meet these rapidly

growing needs for the expansion of the public sector and for the development of village and small scale industries, proper managerial and technical cadres in the public services are being established. Steps are also being taken to meet shortages at supervisory levels, to organise apprenticeship schemes of training on a large scale both in public and in private enterprises, and to extend training facilities in business management in universities and other institutions.

17. It is necessary that proper amenities and incentives should be provided for all those engaged in industry. The living and working conditions of workers should be improved and their standard of efficiency raised. The maintenance of industrial peace is one of the prime requisites of industrial progress. In a socialist democracy labour is a partner in the common task of development and should participate in it with enthusiasm. Some laws governing industrial relations have been enacted and a broad common approach has developed with the growing recognition of the obligations of both management and labour. There should be joint consultation and workers and technicians should, wherever possible, be associated progressively in management. Enterprises in the public sector have to set an example in this respect.

18. With the growing participation of the State in industry and trade, the manner in which these activities should be conducted and managed assumes considerable importance. Speedy decisions and a willingness to assume responsibility are essential if these enterprises are to succeed. For this, wherever possible, there should be decentralisation of authority and their management should be along business lines. It is to be expected that public enterprises will augment the revenues of the State and provide resources for further development in fresh fields. But such enterprises may sometimes incur losses. Public enterprises have to be judged by their total results and in their working they should have the largest possible measure of freedom.

19. The Industrial Policy Resolution of 1948 dealt with a number of other subjects which have since been covered by suitable legislation or by authoritative statements of policy. The division of responsibility between the Central Government and the State Governments in regard to industries has been set out in the Industries (Development and Regulation) Act. The Prime Minister, in his statement in Parliament on the 6th April 1949, has enunciated the policy of the State in regard to foreign capital. It is, therefore, not necessary to deal with these subjects in this resolution.

20. The Government of India trust that this restatement of their Industrial Policy will receive the support of all sections of the people and promote the rapid industrialisation of the country.

SCHEDULE A

1. Arms and ammunition and allied items of defence equipment.
2. Atomic energy.
3. Iron and steel.
4. Heavy castings and forgings of iron and steel.
5. Heavy plant and machinery required for iron and steel production, for mining, for machine tool manufacture and for such other basic industries as may be specified by the Central Government.
6. Heavy electrical plant including large hydraulic and steam turbines.
7. Coal and lignite.
8. Mineral oils.
9. Mining of iron ore, manganese ore, chrome ore, gypsum, sulphur, gold and diamond.
10. Mining and processing of copper, lead, zinc, tin, molybdenum and wolfram.
11. Minerals specified in the Schedule to the Atomic Energy (Control of Production and Use) Order, 1953.
12. Aircraft.
13. Air transport.
14. Railway transport.
15. Shipbuilding.
16. Telephones and telephone cables, telegraph and wireless apparatus (excluding radio receiving sets).
17. Generation and distribution of electricity.

SCHEDULE B

1. All other minerals except " minor minerals " as defined in Section 3 of the Minerals Concession Rules, 1949.
2. Aluminium and other non-ferrous metals not included in Schedule ' A '.
3. Machine tools.
4. Ferro alloys and tool steels.
5. Basic and intermediate products required by chemical industries such as the manufacture of drugs, dyestuffs and plastics.
6. Antibiotics and other essential drugs.
7. Fertilizers.
8. Synthetic rubber.
9. Carbonisation of coal.
10. Chemical pulp.
11. Road transport.
12. Sea transport.

APPENDIX III

THE INDIAN COMPANIES ACT, 1956
(SUMMARY)

Introductory

The Indian Companies Act, 1956, which came into force on April 1, 1956, marks an important stage in the development of Company Law in India. It is a comprehensive measure aimed at consolidating and amending the previous law relating to companies so as to make it largely in conformity with the recommendations made by the Company Law Committee, modified in a few particulars by the views expressed on these recommendations and by the Parliament.

The objects underlying the reforms of Company Law may be appreciated from the following observations of the Company Law Committee:—

> " Company Law is primarily concerned with means and not ends. It attempts to provide a legal framework for the corporate form of business management in which organization, capital and labour are brought together in a particular form of relationship which constitutes the essence of private enterprise."

The operation of private enterprise under modern conditions must, however, be subject to the acceptance of certain broad social objectives and on some recognized standards of behaviour. In the words of the Planning Commission again, " Private enterprise has to visualize for itself a new role and accept, in the larger interests of the country, a new code of discipline." In this view the basic problem of Company Law is to consider to what extent it is possible to adjust the structure and methods of the corporate form of business management, with a view to weave an integrated pattern of relationship as between promoters, investors and the management, so that the following ends may be secured:

(1) The efficiency of corporate business may be increased as measured by accepted standards;

(2) Managerial efficiency may be reconciled with legitimate rights of investors;

(3) The interests of creditors and other partners in production and distribution may be duly safeguarded;

(4) Attainment of the ultimate ends of social policy, including labour relations, may be helped and not hindered by the manner in which the corporate form of business organization works in this country.

With the principles stated above as the background, the changes introduced into Company Law by the Amending and Consolidating Act of 1956 may be broadly classified under the following aspects of company management:

(*a*) Company promotion, formation and capital structure of the companies;

(*b*) company meetings and procedures;

(*c*) presentation of company accounts, their audit and powers and duties of auditors;

(*d*) inspection and investigation of the affairs of companies;

(*e*) formation of Board of directors and the powers and duties of the directors;

(*f*) terms and conditions of the appointment of managing agents, their powers and duties.

Company Promotion and Formation

The provisions of the new Act make considerable changes in the matter of prospectuses, allotment of shares, terms and conditions on which companies may be floated and the share structure of companies. The requirements as to the contents of prospectuses have now been brought together in one place as a Schedule to the Act. This Schedule greatly enlarges the particulars that will have to be disclosed in future in a company prospectus. For example, it is now required that the previous consent of experts should be obtained before their advice can be reproduced in a prospectus issued to the public and that in the case of companies managed by their managing agents, the subscribed capital of the managing agency company should also be disclosed. Disclosure was and continues to be required of all material contracts into which company promoters may have entered or propose to enter into on behalf of the company. As regards the allotment of shares, the new provisions are designed to improve the machinery of the new issue market. They include the form and the manner in which an application for allotment of shares should be made and the regulation of commissions to be paid to the promoters and underwriters of the new issues. The effect of all these provisions, under the general head relating to company formation, is to impress on directors and others concerned, that the promotion of a company requires higher degree of vigilance than has hitherto been required of them and to place the investors in much better position than they so far have been, to assess the intrinsic merit of a new issue. These new provisions were considered necessary in the view that disclosure of essential information is the first step towards the safeguarding of the interests of prospective investors and ensuring sound company floatation. They cannot, by any means, be said to impose an unreasonable burden on private enterprises or their promoters.

Capital Structure of a Company

Under this Act, the most important change is the new provision laying down that in future the share capital of companies should be only of two kinds, namely, equity capital and preference capital and that voting rights on all matters should ordinarily be conferred only on the holders of the former type of capital. Disproportionately excessive voting rights are now eliminated, except where in the case of an existing company the continuance of such rights is considered necessary in the public interest by the Central Government. The term preference share has been more precisely defined, the test applied being whether there is security of income and whether there is preferential right to the repayment of capital on winding up. In the case of preference shareholders, only qualified voting rights have been given; for example, such rights may be exercised when the interests of the preference shareholders are adversely affected, say, by the failure to pay the fixed dividend on the preference capital for two consecutive years in the case of non-cumulative shares and for one year in the case of cumulative preference shares.

Company Meetings and Procedure

The general effect of the new provisions under this Act is to set out the requirements as to meetings of companies and the procedure to be followed by them in connection with such meetings more precisely than in the old Act of 1913. The provisions of the old Act on this point were a prolific source of litigation. To no small extent this was due to the uncertainties of the then existing law. The provisions of the new Act attempt to remove abuses and obscurities and try to hold the scales even as between company management and shareholders, in regard to exercise of their voting rights in company meetings. Two important changes of interest may be specifically mentioned in this connection. The class of resolutions known as extraordinary resolutions under the old Act has now been abolished, so that, in future, company resolutions will either be ordinary or special resolutions. Also, the period of notice for general meetings has been increased from 14 to 21 days.

Company Accounts and Audit

The provisions of the new Act on this subject, broadly speaking, require a much greater amount of information to be included in the accounts. Here again, the principle of disclosure is applied to require the presentation, in balance sheet and profit and loss account, of such additional items of information as reveal the true financial position of a company and its state of affairs as a going concern. A revised form of balance sheet has been prescribed in the new Act and the new requirements as to the profit and loss account are enumerated at length in one of the Schedules. These provisions relating to accounts were largely based on the advice received from the accountancy profession and were calculated to promote sound financial practices by joint-stock companies and also to ensure a higher standard of auditing of company accounts in future.

The new provisions dealing with the appointment, qualifications, duties and powers of auditors are intended to secure the independence and integrity of the auditor. The two basic qualifications required of auditors are their professional competence and their integrity and independence of judgment. In the view of Government, no law, however, well designed, can secure these qualities, but the object of the provisions of the new Act is to create conditions under which auditors will be able to discharge their statutory functions without fear or favour.

Investigation of the Affairs of Companies

Perhaps no other aspect of the old Company Law had attracted so much adverse comment from the public as this one. The new provisions of the Act, which deal with this subject, greatly enlarge the powers of the Central Government and of shareholders to initiate investigation into the affairs of companies, while the provisions dealing with the reliefs which a Court of law can give in case of oppression and mismanagement, introduce some new changes in Company Law, on the analogy of the provisions of the well-known section 210 of the English Companies Act 1948. Under the new provisions, it would be now open to the Central Government, not only to initiate investigation on its own motion in suitable cases but also to apply to a Court of law for redress in a case where a company acts in a manner prejudicial to its interest, or in a manner which is oppressive to any part of its members. The powers of the shareholders which existed under the old Act to apply for investigation or to seek relief in a Court of law have also been enlarged. Power has been taken under certain circumstances to investigate the ownership of shares in a company. In such cases an Inspector is given power to call for and obtain such information as he may need, not only from the companies concerned, but also from the related managing agency firms or companies and also from companies under the management of the same managing agents. Some cases in the recent past had exposed the inadequacy of the powers conferred by the old Act on Inspectors and demonstrated the necessity for the enlarged powers now provided for in the new Act.

Formation of Board of Directors and their Powers and Duties

The provisions of the new Act as well as the amendments to the provisions of the old Act which deal with directors are designed to ensure, firstly, the constitution of independent Board of directors, assisted by representatives of the management as well as the shareholders but without the dominance of the former over the latter; secondly, the selection as directors of active individuals, who can devote sufficient time and thought to the work of companies which they are supposed to direct; thirdly, the adequate exercise of control by directors over managing agents, where the day-to-day management of company is in the hands of the latter; and fourthly, the prevention of arbitrary exercise by the directors of the powers which they are entitled to exercise on behalf of company.

Past experience had shown that some control was needed for the exercise of some of these powers, namely, the power to make loans, the power to enter into contracts, the power to sell, lease or otherwise dispose of property, the power to remit or extend the date of repayment of debts and the power to borrow on behalf of the company. The aim of these new provisions is to prevent abuses and mal-practices and not to hinder sound and honest management of companies. A new provision has been included in the Act imposing an age limit (namely, 65) on directors and still another restricting the number of directorships which a person can hold to 20. In regard to age-limit, a suitable further provision has been made by which companies are enabled in suitable cases to declare by a resolution passed at a general meeting, of which special notice has been given, that the age limit shall not apply to a particular director. In regard to restriction on the number of directorships that one person can hold, the intention was to ensure that adequate attention is paid to the affairs of the company by the directors. The *pros* and *cons* of these issues had been fully considered by the Company Law Committee and by the Joint Committee which later considered the provisions of the Act in this regard. Another new provision which was inserted at the instance of the Joint Committee, gives option to a company, by including suitable clauses in its Articles of Association, to adopt the system of proportional representation for the purpose of the appointment of its directors. This is a matter which was very carefully considered by the Joint Committee before which it was represented that under the past system of voting a majority of 50% or more of the shareholders was able to monopolize all the directorships with the result that even a respectable minority of the shareholders could not secure the appointment of even one of its representatives to the directorate and was thus seriously handicapped in asserting its legitimate rights. The Committee was, however, of the opinion that the provision for the annual renewal of one-third of the directorate by the ordinary method of voting should operate normally, but it may be left open to the company, that is its shareholders, to adopt a form of proportional representation as stated above. As no form of proportional representation can work on the basis of annual renewal of portion of the directors, the election has been made triennial. Another important provision which has been included on the recommendation of the Joint Committee lays down that a person who voluntarily applies to be adjudicated an insolvent must be, *ipso facto*, disqualified for appointment as a director, it being considered unnecessary in such a case to await the result of the application. The distinction previously made between bailable and non-bailable criminal offence for the purpose of disqualifying a person from being a director or a managing agent has been done away with, and instead a sentence of imprisonment for a period of six months or more has been prescribed as the criterion for disqualifying a person. The new Act further provides that a director should be required to vacate his office forthwith if he voluntarily applies to be adjudicated an insolvent, but provision has been made for a disqualification not to take effect where an appeal against an adjudication or sentence has been preferred, till the Appeal court

has pronounced judgement. A reasonable period of time after the original sentence is passed has been allowed for the disqualification to take effect, so that an appeal may be filed if the person concerned so desires. While the new Act imposes some restrictions on the powers of the Board of directors to borrow moneys, an exception has been made in the case of a banking company whereby the acceptance of deposits from the public by such a company is not to be regarded as borrowing and further suitable provision has been made for the delegation of certain powers of the Board to the manager or other principal officer of a branch office of a banking company.

Another new provision in the Act is to the effect that appointments of sole selling agents by the Board of directors should be specifically approved by the company in general meeting and that, if such approval is not secured within six months, the appointments will cease to be valid. The object of this provision is to minimise the possibility of certain abuses that had taken place in the past in regard to appointments of sole selling agents.

By the amending Act of 1951 (Act LII of 1951) certain provisions were introduced into the Act of 1913 to put a check on some unhealthy trends noticed in the management of a number of companies in regard to appointment, re-appointment, remuneration, transfer of office, etc. of managing agents, directors, managing directors, etc. Although originally it was intended that these provisions should remain in force for a period of three years only, it was subsequently felt that these provisions would prove to have wholesome effect at any time and have been accordingly incorporated in the new Act.

Power has been given to the Central Government to appoint not more than two persons, being members of the company, as directors for a period not exceeding three years, if a fairly big section of the shareholders (holding not less than one-tenth of the total voting power) complain of oppression or mismanagement and the Central Government is satisfied that it is absolutely necessary to make such appointment. It is hoped that the existence of these powers will act as a deterrent to the mismanagement of companies. The Central Government does not intend to exercise those powers save in very exceptional cases.

Terms and Conditions of the Appointment of Managing Agents, their Powers and Duties

The provisions of the old Act relating to the terms and conditions of appointment of managing agents, their remuneration, powers of managing agents *vis-a-vis* directors and the powers and duties of the managing agents in regard to borrowing, loan contracts as well as purchases, have been enlarged and tightened up. The object of the reform in this respect is to prevent widespread abuses of the powers conferred on the managing agents on these subjects which took place all over the country, more particularly, since the commencement of World War II. The Government

was in agreement with the unanimous view of the Company Law Committee that in the present economic structure of the country, managing agency would continue to have its use for some time to come and that if this system was cleansed of the abuses and mal-practices which had disfigured its working in the recent past, it should yet prove to be a potent instrument in moving the springs of private enterprise. This view was based not only on history and tradition, but on an objective assessment of the present structural organisation of the trade and industry of the country and the obvious gaps in its institutional set-up, particularly in the closely related field of company investment and company finance-gaps which it would take some years to close. It was, therefore, of the utmost importance that the system should be purged of the evils which had crept into it as early as possible, so that it could play a worthy and useful role in the future development of the private sector. Care has been taken to see that, while bringing activities of managing agents under stricter regulation and control, for which admittedly a strong case exists, the initiative and resilience of the honest managing agents is preserved.

Special mention may be made of some of the new provisions of the Act in regard to managing agents. A provision has been inserted empowering the Central Government to notify that no company engaged, whether wholly or in part, in any industry or business, to be specified in the notification shall have managing agents. The effect of such a notification will be that no company which did not have a managing agent on the date of the notification can appoint one at a subsequent date and that a managing agent holding office on that date will cease to do so after three years from the date of the notification or on the 15th August, 1960, whichever is later. In the case of a company not engaged in an industry notified as stated above, another new provision lays down that no managing agent can be appointed without the specific approval of the Central Government which has been charged with the responsibility of seeing that such approval is given only in suitable cases which fulfil the conditions laid down.

It has been provided that all existing managing agents will cease to hold office on the 15th August, 1960, but, if in the meantime a managing agent has been re-appointed for a fresh term with the approval of the Central Government, this restriction will not apply.

Another important new provision is that no person, firm or body corporate should be managing agent of more than 10 companies after the 15th August, 1960. In order to prevent evasion of this requirment, it has been provided that for the purpose of this restriction the term managing agent shall include his close associates, but that in reckoning the number ten, certain types of managing companies should be disregarded. The definition of the term 'associate' has been widened to include the relatives of the person concerned or, where the managing agent is a firm, the relatives of the members of the firm.

One other new provision is to the effect that no managing agency agreement shall in future provide for the agency being heritable or devisable by will. Where, however, such an agreement was already in existence on the date of the commencement of the new Act, the heir or devisee would be allowed to act as managing agent, only if the company satisfies the Central Government about his suitability as a managing agent. Certain new provisions regulating the appointment of managing agents as buying and selling agents of the managed company and the remuneration to be paid therefor have also been included in the new Act. Another matter in respect of which the provisions of the new Act differ from those of the old Act is the right of the managing agent to make nominations on the directorate of the managed company. Under the old Act a managing agent could nominate up to one-third of the directorate of the managed company. The old provision has been so altered that the managing agent will be able, in future, to nominate not more than two directors where the total number of directors on the Board exceeds five and one director where the total number does not exceed five. It is expected that these new provisions would remove many of the evils that have attached to the managing agency system in the past.

Over-all Maximum Managerial Remuneration

It has been considered necessary, in the light of experience of the old Act, to provide that there should be an overall maximum for the managerial remuneration that a company may pay to its managing agent, directors, Secretaries and Treasurers and manager and this limit has been fixed at 11 per cent of the net profits (inclusive of any monthly salaries paid to the managing director or manager, but exclusive of fees paid to directors for attending Board meetings). Separate provisions have also been made fixing limits on the remuneration payable to each class of the office bearers mentioned, with reference to the net profits of the company.

Secretaries and Treasurers

The new Act has given recognition to the system of Secretaries and Treasurers by defining the term and by inserting a chapter dealing with this class of officers. Secretaries and Treasurers will exercise much the same functions as managing agents or manager but with these differences, namely,

(1) Secretaries and Treasurers (who will be firm or body corporate but in other respects fulfil the requirements of the definition of manager) will have no right to appoint any of their nominees on the directorate of the company; and

(2) Government will have no power (as it has in relation to managing agents) to notify industries, companies engaged in which shall have no Secretaries and Treasurers. A company having a managing agent cannot, of course, engage Secretaries and Treasurers also. It was felt that the system of management of companies

by Secretaries and Treasurers should be encouraged as it is free from most of the abuses to which the managing agency system has been subject in the past.

Government Companies

The new Act contains some special provisions in regard to Government companies, which term is defined in the Act. A Government company shall not appoint a managing agent. The auditor of a Government company will be appointed by the Central Government on the advice of the Comptroller and Auditor General of India and the audit of the accounts of such a company will be conducted in such manner as the Comptroller and Auditor General may direct. Except for these matters a Government company will be governed by the other general provisions of the Act as are applicable to companies. Power has, however, been given to the Central Government to direct that any of the provisions of the Act shall not apply to a Government company or shall apply to a Government company only with such exceptions, modifications and adaptations as may be specified by the Central Government. This power has been taken because it is considered inappropriate to apply some of the provisions of the Act which impose heavy penalties in respect of failure to do various things by directors, managers, etc. Moreover, any exemptions or modifications could not be made on a uniform pattern, as the amount of Government interest in and the nature of the activities carried on by the various Government companies differ very widely. Each case would, therefore, have to be examined on its merits and it was considered that the only authority which could possibly be entrusted with the functions is the Government. The legislature has, however, provided a safeguard by laying down that a copy of every notification proposed to be issued by Government in exercise of these powers, shall be laid in draft before both Houses of Parliament for a period of not less than 30 days.

Constitution of an Advisory Commission

The Indian Companies Amendment Act, 1951, provided for the setting up of a Commission of not more than 3 persons to advise Government in regard to the exercise of the powers conferred on them by that Act. This Advisory Commission has now been put on a permanent footing instead of allowing it to continue for a period of 3 years as originally proposed. The maximum membership of the Commission has been increased from 3 to 5 so as to enable Government to provide for adequate representation of all the different interests concerned. At the same time the scope of the Commission has been extended by providing that it should advise on all matters which may be referred to it and not only those matters which were specifically required to be referred to the Commission, under the provisions of the 1951 Amendment Act.

STATEMENTS

In using this Report, the following general information may be noted.

(1) Statements from 10 onwards relate to India.

(2) The Indian financial year is from April 1 to March 31. Thus, 1955-56 means the year from April 1, 1955 to March 31, 1956.

(3) The Currency Unit of the Indian Union is the Rupee divided into 16 annas, each anna being further divided into 4 pice pieces. The abbreviation for rupees is 'Rs.' and for annas it is 'as.' A Rupee is equivalent to 21.00 U.S. cents or 1 sh. 6 d. sterling.

(4) The Indian Union is a federation of *ten* Part A States, *seven* Part B States (excluding Jammu and Kashmir), *nine* Part C States and *one* Part D territory. The total population of the Indian Union, according to the 1951 Census, is 357 million. The Federal Government is the Government of India, also called the Central or Union Government.

(5) A crore = 10 million (Rs. 1 crore is equal to U. S. $ 2.1 million or £750,000 sterling). A lakh = one-tenth of one million.

(6) A tola = three-eighths of an ounce.

(7) Where necessary, each figure has been rounded off to the nearest final digit. For this reason, there may be in some Tables and Statements an apparent slight discrepancy between the sum of the constituent items and the total as shown.

(8) The following symbols have been used:
.. = Figure is not available. — = Figure is nil or negligible.

(9) A line drawn across a column between two consecutive figures denotes that the figures above and below the line are not comparable. In each case a footnote is added indicating the nature of the difference.

STATEMENT I

SELECTED ECONOMIC INDICATORS FOR CERTAIN COUNTRIES

	Australia *			Canada			France			Germany (Western)		
	1953	1954	1955	1953	1954	1955	1953	1954	1955	1953	1954	1955
I. Production and Prices (Index Numbers) (1953=100)												
1. Industrial Production	..	..	..	100	98	107	100	109	120	100	112	130
2. Wholesale Prices (General) (*a*) ..	100	98	102	100	98	99	100	98	98	100	98	101
3. Share Prices (Industrial) ..	100	106	116	100	114	150	100	140	206	100	142	217
4. Cost of Living	100	101	104	100	101	101	100	100	101	100	100	102
II. Money, Banking and Capital Markets												
5. National Income (*b*)	3.53	3.77	3.96	19.10	18.75	20.90	9,790	11,510	12,440	103.70	112.30	..
6. Money Supply (End of Year) ..	1.54	1.58	1.61	5.13	5.46	5.79	4,630	5,266	5,992	23.43	26.41	29.07
(i) Currency (,,) ..	0.34	0.35	0.36	1.42	1.46	1.55	2,310	2,551	..	11.97	12.78	14.09
(ii) Deposit Money (,,) ..	1.20	1.23	1.25	3.71	4.00	4.24	2,320	2,715	..	11.46	13.63	14.98
7. Time Deposits (,,) ..	0.25	0.26	0.26	5.03	5.62	6.10	136	165	203	16.25	20.88	26.13
8. Government Deposits (,,) ..	0.03	0.05	0.04	0.53	0.23	0.61	..	..	..	7.10	7.57	9.44
9. Domestic Loans and Investments of Commercial Banks (*c*) ..	1.16	1.19	1.23	7.64	8.28	9.35	3,220	3,617	4,103	50.18	63.33	77.06
10. Foreign Assets of Central Banks (*c*)	0.51	0.42	0.30	0.003	0.003	0.017	225	394	693	8.33	11.27	13.11
11. Discount Rate of Central Banks (per cent) (End of Year) ..	..	..	..	2.00	2.00	2.75	3.50	3.00	3.00	3.50	3.00	3.50
12. Treasury Bill Rate (per cent) ..	1.00	1.00	1.00	1.69	1.44	1.62	3.00	..	..	..	..	..
13. Long-term Government Bond Yield (per cent)	4.48	4.46	4.52	3.68	3.14	3.08	5.41	5.38	5.21	..	..	..
III. Government Finance (*g*)												
14. Revenue	1.0	1.0	1.1	4.4	4.1	4.4	3,020	3,278	..	22.8	24.0	28.5
15. Expenditure	1.0	1.0	1.0	4.4	4.3	4.4	3,837	4,051	..	23.5	24.2	28.5
16. Public Debt (End of Year) ..	3.4	3.6	3.7	..	..	..	5,417	5,650	..	1.2	1.0	..
IV. Trade (value) (*h*)												
17. Exports (*f.o.b.*)	0.85	0.81	0.76	4.17	3.95	4.35	1,324	1,463	1,679	18.39	21.98	25.70
18. Imports (*c.i.f.*)	0.51	0.68	0.84	4.38	4.09	..	1,380	1,477	1,641	15.85	19.21	24.35
19. Net Balance of Trade	+0.34	+0.13	—0.08	—0.21	—0.14	..	— 56	— 14	+38	+2.54	+2.77	+1.35

Note :—Amounts are in billions of national currency, unless otherwise stated.

(*a*) Home and import goods for Australia and France. (*b*) For Australia, year beginning July 1; India and Japan, year beginning April 1; and others, calendar year. (*c*) Average of weekly figures of last month for Australia ; last Friday for India and end of year for others. For the U.S.A., the figures against item 10 represent short- term foreign assets of the country. (*d*) Sales of Treasury bills to the public remained suspended during the period April 20, 1954 to November 2, 1954. (*e*) First half of the year. (*f*) Second half of the year. (*g*) Year ending June 30 for Australia and the U.S.A.; year beginning April 1 for Canada, Western Germany, India, Japan and the U.K. and calendar year for France. (*h*) Year ending June 30 for Australia, 12 months beginning April 1 for India and calendar year for others. Imports *f.o.b.* for Australia, Canada and the U.S.A.

* In billions of U.S. dollars.

	India			Japan			U.K.			U.S.A.		
	1953	1954	1955	1953	1954	1955	1953	1954	1955	1953	1954	1955
I. Production and Prices (Index Numbers) (1953=100)												
1. Industrial Production	100	108	119	100	108	117	100	107	112	100	93	104
2. Wholesale Prices (General) ..	100	98	90	100	99	98	100	101	104	100	100	100
3. Share Prices (Industrial)	100	119	131	100	71	68	100	131	155	100	122	167
4. Cost of Living	100	95	90	100	106	105	100	102	106	100	100	100
II. Money, Banking and Capital Markets												
5. National Income (*b*)	104.90	99·10	..	5,878	6,132	..	14.81	15.72	16.63	303.60	299.70	322.20
6. Money Supply (End of Year)	17.09	18.32	20.47	1,439	1,463	1,698	5.53	5.72	5.70	131.10	134.50	137.50
(*i*) Currency („)	11.66	12.25	13.86	610	604	648	1.53	1.62	1.73	27.80	27.90	27.80
(*ii*) Deposit Money(„)	5.43	6.08	6.61	829	859	1,049	4.00	4.10	3.97	103.30	106.60	109.70
7. Time Deposits („)	3.59	3.95	4.46	1,336	1,588	2,089	2.37	2.46	2.29	45.00	46.70	48.20
8. Government Deposits(„)	1.16	0.60	0.59	84	84	166	..	..	..	4.60	5.10	4.50
9. Domestic Loans and Investments of Commercial Banks (*c*) ..	8.77	9.63	10.86	2,544	2,795	3,373	5.90	6.06	5.77	145.10	155.20	160.20
10. Foreign Assets of Central Banks (*c*)	7.63	7.71	7.75	0.05*	0.05*	0.51*	..	..	..	0.90	1.38	1.55
11. Discount Rate of Central Banks (per cent) (End of Year) ..	3.50	3.50	3.50	5.84	5.84	7.30	3.50	3.00	4.50	2.00	1.50	2.50
12. Treasury Bill Rate (per cent) ..	2.42	2.57(*d*)	2.52	..	..	..	2.30	1.80	3.70	1.94	0.95	1.75
13. Long-term Government Bond Yield (per cent)	3.64	3.65	3.72	5.50(*e*) 7.22(*f*)	6.63(*e*) 6.32(*f*)	6.33(*e*) 6.34(*f*)	4·08	3.76	4.17	2.92	2.53	2.80
III. Government Finance (*g*)												
14. Revenue	4.2	4.6	5.0	3,083	3,076	..	4.4	4.7	4.9	64.8	64.7	60.4
15. Expenditure	4.1	4.2	4.9	3,056	3,278	..	4.3	4.3	4.5	74.3	67.8	64.6
16. Public Debt (End of Year) ..	26.4	29.8	32.0	489	770	..	26.6	26.9	27.0	266.1	271.3	274.4
IV. Trade (value) (*h*)												
17. Exports (*f.o.b.*)	5.31	5.94	5.97	458.94	586.53	723.82	2.69	2.78	3.02	15.77	15.11	15.52
18. Imports (*c.i.f.*)	5.72	6.56	6.79	867.47	863.79	889.72	3.34	3.37	3.89	10.87	10.22	11.38
19. Net Balance of Trade	—0.41	—0.63	—0.82	—408.53	—277.26	—165.90	—0.65	—0.59	—0.87	+4.90	+4.89	+4.14

Note :—For foot-notes, please see previous page.

Sources :—Monthly Bulletin of Statistics (United Nations) ; International Financial Statistics (IMF) ; Reserve Bank of India Bulletin; Economic Statistics of Japan, 1955 (Bank of Japan) ; Federal Reserve Bulletin ; Survey of Current Business; Statistical Summary (Bank of Canada); Monthly Report of the Bank Deutscher Lander; Economic Report of the President of the U.S.A., January 1956 ; and Budget papers of the United Kingdom.

STATEMENT 2

INDEX NUMBERS OF WHOLESALE PRICES AND COST OF LIVING IN SELECTED COUNTRIES

(*Base* : 1953=100)

Year and Month	AUSTRALIA		CANADA		FRANCE		INDIA		UNION OF SOUTH AFRICA		UNITED KINGDOM		UNITED STATES	
	P(*a*)	C	P	C	P	C	P	C	P	C	P	C	P	C
1950	70	68	96	89	78	77	102	95	76	80	80	81	94	90
1951	86	82	109	98	100	91	112	99	86	89	97	89	104	97
1952	97	96	102	101	105	101	98	97	99	97	100	97	101	99
1953	100	100	100	100	100	100	100	100	100	100	100	100	100	100
1954	98	101	98	101	98	100	98	95	101	102	101	102	100	100
1955	102	104	99	101	98	101	90	90	104	105	104	106	100	100
January 1954 ..	98		100	100	100	101	102	98	101	100	100	100	100	101
February „ ..	98	102(*b*)	99	100	100	102	101	96	101	101	100	100	100	101
March „ ..	98		99	100	99	102	100	95	100	101	100	101	100	101
April „ ..	98		99	100	99	101	103	96	100	102	100	102	100	100
May „ ..	98	102(*b*)	99	100	101	102	101	96	100	102	101	101	100	101
June „ ..	98		99	100	97	102	97	95	101	102	101	102	100	101
July „ ..	98		99	101	97	99	97	95	101	101	101	103	100	101
August „ ..	98	101(*b*)	98	101	98	99	97	95	101	102	100	102	100	101
September „ ..	98		98	101	97	99	98	95	101	103	100	102	100	100
October „ ..	97		97	101	97	99	97	95	102	103	100	103	100	100
November „ ..	98	102(*b*)	97	101	97	100	95	92	101	104	101	103	100	100
December „ ..	98		98	101	98	101	93	92	101	104	102	104	99	100
January 1955 ..	98		98	101	98	101	92	92	101	104	103	104	100	100
February „ ..	100	102(*b*)	99	101	98	101	92	90	102	104	103	104	100	100
March „ ..	101		99	100	98	101	90	89	103	105	102	104	100	100
April „ ..	100		99	101	97	101	88	88	104	105	102	105	100	100
May „ ..	101	103(*b*)	99	101	99	101	87	87	103	104	101	105	100	100
June „ ..	102		99	100	96	101	87	89	103	105	102	107	100	100
July „ ..	104		99	100	97	100	90	91	104	105	104	107	100	100
August „ ..	103	104(*b*)	100	101	98	100	91	92	102	105	104	106	101	100
September „ ..	103		100	101	99	101	90	91	105	106	105	107	101	100
October „ ..	103		100	101	99	102	91	92	105	106	105	108	101	100
November „ ..	104	105(*b*)	100	101	99	102	93	92	105	106	106	110	101	101
December „ ..	103		100	101	100	102	94	92	105	106	104	110	101	100

P=Wholesale prices. C=Cost of Living. (*a*) Home and Import Goods.
(*b*) Quarterly indices.

Source :—United Nations Monthly Bulletin of Statistics, and International Financial Statistics issued by the I.M.F.

STATEMENT 3

INDEX NUMBERS OF MONEY SUPPLY IN SELECTED COUNTRIES

(*Base* : End of 1953=100)

Countries	End of 1950	1951	1952	1953	1954	1955
Australia	82	92	89	100	103	104
Belgium-Luxembourg ..	86	93	97	100	102	..
Canada	94	94	101	100	106	113
Ceylon	110	122	108	100	116	130
France	67	79	90	100	114	129
Germany (Western)* ..	67	79	88	100	113	124
India	107	103	98	100	108	120
Italy	68	78	91	100	108	120
Japan	55	73	88	100	102	118
Netherlands	83	85	94	100	106	116
New Zealand	84	86	85	100	109	109
Norway	80	90	96	100	104	106
Pakistan†	83	105	90	100	108	127
Sweden	77	92	96	100	102	104
Switzerland	89	93	96	100	103	106
Union of South Africa ..	92	95	95	100	102	98
United Kingdom	95	97	97	100	103	103
United States of America ..	90	95	98	100	103	105

* Prior to 1953, the note circulation in West Berlin is excluded.

† Indices based on 1949 total of Pakistan currency and deposits only. No allowance is made for Indian currency circulating during 1950.

Source :—International Financial Statistics, issued by the I.M.F.

STATE

MONEY MARKET RATES

(*Per cent*

Countries	Description	Average of Months 1950	1951	1952	1953	1954	1955
Treasury Bills							
Australia	Tap 3 months	0.75	0.75	0.85	1.00	1.00	1.00
Belgium	Tap 4 months	1.31	1.31	1.31	1.31	1.31	1.31
Canada††	Tender 3 months	0.55	0.80	1.07	1.69	1.44	1.62
France	Tap 2½-3½ months	2.00	2.14	3.00	3.00	..	..
India*	Tender 3 months	..	..	2.15	2.42	2.57	2.52
Italy	Tap 3-4 months	3.25	3.25	2.92	2.75	2.75	2.75
Netherlands	Tender 3 months	1.40	1.36	1.08	0.57	0.55	0.96
Union of South Africa	Tap 3 months†	1.00	1.00	1.29	1.88¶	1.90	2.56
United Kingdom	Tender 3 months	0.51	0.56	2.20	2.30	1.80	3.70
United States of America	Tender 3 months	1.22	1.55	1.77	1.94	0.95	1.75
Other Rates							
France	Call money rate	2.43	2.70	3.79	4.04	3.59	3.16
India@	,,	0.58	0.98	2.03	2.21	2.45	2.67
Japan**	,,	6.41	7.12	8.06	7.82	7.85	7.36
Netherlands	,,	1.07	1.03	0.77	0.52	0.52	0.62
Switzerland	Private discount rate	1.50	1.50	1.50	1.50	1.50	1.50
Union of South Africa	Commercial overdraft rate	5.00	5.00	5.38	5.50	5.50	5.67§
United Kingdom	3-month bankers' acceptances	0.69	0.91	2.71	2.77	1.84	3.75
	Call money rate	0.62	0.69	2.01	2.16	1.63	2.99
United States of America‡	Prime 90-day bankers' acceptances	1.15	1.60	1.75	1.88	1.36	1.72
	Call money rate	1.62	2.14	2.48	3.06	3.05	3.20

†† Beginning 1955, new series.
* Sales of Treasury bills to the public remained suspended during the following periods:—(i) December 20, 1949 to September 9, 1952 and (ii) April 20, 1954 to November 2, 1954.
@ Call money rate in Bombay; monthly data are averages of Friday quotations.
** In Tokyo § Average for nine months.
‡ In New York † 6-month bills prior to June, 1953.
¶ June—December 1953 ‡‡ Beginning September 29.

MENT 4

IN SELECTED COUNTRIES

per annum)

1955											
Jan.	Feb.	Mar.	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
1.31	1.31	1.31	1.31	1.31	1.31	1.31	1.31	1.31	1.31	1.31	1.31
0.88	1.13	1.09	1.25	1.30	1.44	1.43	1.70	1.83	2.20	2.58	2.56
..	..	..	..	..	..	..	..	..	..	..	..
2.51	2.52	2.52	2.57	2.57	2.54	2.51	2.51	2.52	2.48	2.48	2.50
2.75	2.75	2.75	2.75	2.75	2.75	2.75	2.75	2.75	2.75	2.75	2.75
0.79	0.79	1.16	1.04	1.49	0.91	0.75	0.80	1.04	0.94	0.75	1.06
1.94	1.94	2.44	2.44	2.44	2.50	2.50	2.50	3.00‡‡	3.00	3.00	3.00
2.02	2.55	3.80	3.80	3.92	3.97	3.97	4.00	4.07	4.07	4.10	4.09
1.26	1.18	1.34	1.62	1.49	1.43	1.62	1.88	2.09	2.26	2.22	2.56
3.27	3.25	3.28	3.23	3.27	3.19	3.30	3.06	3.00	3.02	3.06	2.99
2.88	2.88	2.88	2.90	2.88	2.56	2.38	2.41	2.78	1.94	2.69	2.90
8.03	8.03	8.03	8.03	8.03	7.30	7.30	7.30	7.30	6.57	5.84	6.57
0.58	0.53	0.71	0.58	0.90	0.62	0.50	0.56	0.75	0.57	0.50	0.62
1.50	1.50	1.50	1·50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
..	5.50	5.50	..	5.50	5.50	..	5.50	5.50	6.00	6.00	6.00
2.02	2.58	3.81	3.83	3.94	3.99	4.00	4.06	4.15	4.16	4.21	4.22
1.55	2.15	3.29	3.17	3.33	3.21	3.14	3.24	3.15	3.32	3.28	3.10
1.33	1.38	1.38	1.43	1.50	1.50	1.50	1.67	2.08	2.23	2.17	2.43
3.00	3.00	3.00	3.00	3.00	3.00	3.01	3.34	3.40	3.50	3.55	3.63

Sources :—International Financial Statistics issued by the I. M. F., Monthly Bulletin of Statistics of the United Nations, Economic Statistics Monthly (Bank of Japan), Federal Reserve Bulletin and Quarterly Bulletin of Statistics of the South African Reserve Bank

STATEMENT 5

BALANCE OF INTERNATIONAL TRANSACTIONS OF THE UNITED STATES DURING 1955

(Millions of U. S. Dollars)

Item	Sterling Area				All Areas			
	Jan.-June 1955	July-Dec. 1955	1955	1954	Jan.-June 1955	July-Dec. 1955	1955	1954
Exports of goods	1,036	1,104	2,140	1,738	6,979	7,198	14,177	12,707
Exports of services	497	636	1,133	1,072	2,560	2,965	5,525	5,057
Total	1,533	1,740	3,273	2,810	9,539	10,163	19,702	17,764
Imports of goods	894	906	1,800	1,522	5,561	5,929	11,490	10,304
Imports of services	639	625	1,264	1,169	2,975	3,191	6,166	5,568
Total	1,533	1,531	3,064	2,691	8,536	9,120	17,656	15,872
Balance on goods and services	—	+209	+209	+119	+1,003	+1,043	+2,046	+1,892
Military transfers	*	*	*	*	+1,113	+1,033	+2,146	+3,132
Balance on goods and services including military transfers	—	+209	+209	+119	+2,116	+2,076	+4,192	+5,024
Unilateral transfers (Net) :	—228	—144	—372	—309	—2,463	—2,113	—4,576	—5,290
Private	— 45	— 44	— 89	— 95	— 222	— 241	— 463	— 452
Government :								
Economic aid	—180	— 95	—275	—206	—1,058	— 769	—1,827	—1,578
Military aid	*	*	*	*	—1,113	—1,033	—2,146	—3,132
Other	— 3	— 5	— 8	— 8	— 70	— 70	— 140	— 128
United States capital (Net)	+ 7	— 68	— 61	—155	— 635	— 606	—1,241	—1,528
Private	+ 44	— 83	— 39	—202	— 400	— 548	— 948	—1,621
Government	— 37	+ 15	— 22	+ 47	— 235	— 58	— 293	+ 93
Foreign capital (Net) :	+247	—140	+107	+ 6	+ 694	+ 769	+1,463	+1,459
Long-term	+138	+ 23	+161	+123	+ 466	+ 340	+ 806	+ 233
Short-term	+109	—163	— 54	—117	+ 228	+ 429	+ 657	+1,226
Gold [purchases (—) or sales (+)]	—	—	—	+ 50	+ 63	— 23	+ 40	+ 298
Errors and omissions and transfers of funds between foreign areas [receipts by foreign areas (—)] (Net)	— 26	+143	+117	+289	+ 225	— 103	+ 122	+ 37

* Military aid to sterling area countries is not shown separately.

STATEMENT 6

GOLD AND DOLLAR ACCOUNTS OF THE STERLING AREA

(Millions of U.S. Dollars)

	1955 January-June	1955 July-December (Provisional)	1955 (Provisional)	1954
I. Transactions with Dollar Area				
A. United Kingdom :				
(*a*) Balance of current transactions including defence aid (Net) ..	—214	—365	—579	—243
(*b*) Other transactions (investment, etc.) ..	+ 54	— 2	+ 52	+205
Total U. K. Surplus (+) or Deficit (—) (Net) ..	**—160**	**—367**	**—527**	**— 38**
B. Rest of Sterling Area:				
(*a*) U. K. Colonies ..	+164	+174	+338	+283
(*b*) Other sterling area countries	—163	—142	—305	—209
Gold Sales to U. K. (Net) :				
(*a*) U. K. Colonies	+ 14	+ 14	+ 28	+ 24
(*b*) Other sterling area countries	+215	+250	+465	+361
Total Rest of Sterling Area Surplus (+) or Deficit (—) (Net)	**+230**	**+296**	**+526**	**+459**
II. Transactions with Non-Dollar Areas				
(*a*) Other Western Hemisphere	— 1	— 27	— 28	+ 58
(*b*) OEEC Countries	—156	—411	—567	—183
(*c*) Other non-sterling countries	— 3	— 31	— 34	+ 47
(*d*) Non-territorial organisations	+ 8	— 20	— 12	— 99
Total Transactions with Non-Dollar Areas (Net) ..	**—152**	**—489**	**—641**	**—177**
Total Net Gold and Dollar Surplus (+) or Deficit (—) ..	**— 82**	**—560**	**—642**	**+244**

STATEMENT 7

WORLD GOLD PRODUCTION

(Thousands of fine ounces)

	COUNTRIES	1950	1951	1952	1953	1954	1955*	*Percentage increase (+) or decrease (—) of 1955 over 1954*
I.	British Commonwealth ..	18,760	18,605	19,108	18,904	20,623*	22,030	+ *6.8*
	(*a*) Australia ..	861	896	980	1,075	1,118	1,040	— *7.0*
	(*b*) Canada	4,441	4,393	4,472	4,069	4,366	4,580	+ *4.9*
	(*c*) Gold Coast	689	699	691	731	787	750	— *4.7*
	(*d*) India ..	197	226	253	223	239	211	—*11.7*
	(*e*) New Zealand ..	77	75	59	39	42	40	— *4.8*
	(*f*) Southern Rhodesia ..	511	487	497	501	536	525	— *2.1*
	(*g*) Union of South Africa	11,664	11,516	11,819	11,941	13,237	14,600	+*10.3*
	(*h*) Others	320	313	337	325	298	284	— *4.7*
II.	Latin American Countries							
	(*a*) Brazil	163	171	160	147	153	150	— *2.0*
	(*b*) Chile	190	174	176	131	125	125	—
	(*c*) Colombia	379	431	422	437	377	380	+ *0.8*
	(*d*) Mexico	408	394	459	483	396	380	— *4.0*
	(*e*) Peru	148	158	135	140	147	145	— *1.4*
III.	United States of America ..	2,289	1,895	1,927	1,970	1,859	1,925	+ *3.6*
IV.	**All Countries †**	**24,560**	**23,930**	**24,583**	**24,464**	**25,850***	**27,300**	**+ 5.6**
	British Commonwealth : *Percentage* :	*76.4*	*77.7*	*77.7*	*77.3*	*79.8*	*80.7*	+ *1.1*
	Union of South Africa : *Percentage* :	*47.5*	*48.1*	*48.1*	*48.8*	*51.2*	*53.5*	+ *4.5*

† Excludes gold production of the U.S.S.R. * Estimated or provisional figures.
Source : Union Corporation Limited, South Africa.

STATEMENT 8

WORLD SILVER PRODUCTION

(Millions of ounces)

COUNTRIES	1950	1951	1952	1953	1954	1955	*Percentage increase (+) or decrease (—) of 1955 over 1954*
Mexico	49.1	43.8	50.4	47.9	39.9	45.0	+*12.8*
United States of America ..	42.3	39.9	39.8	37.7	38.1	35.0	— *8.1*
Canada	23.2	23.1	25.2	28.3	30.7	27.7	— *9.8*
Peru	13.4	15.0	18.4	19.3	19.9	20.0	+ *0.5*
Bolivia	6.6	7.1	7.1	6.1	5.0	4.5	—*10.0*
Other South and Central American Countries ..	7.0	6.6	7.2	8.8	7.4	6.5	—*12.2*
Total Western Hemisphere ..	**141.6**	**135.5**	**148.1**	**148.1**	**141.0**	**138.7**	**— 1.6**
Outside the Western Hemisphere	57.0	63.6	68.7	68.3	67.7	65.0	— *4.0*
India	0.016	0.015	0.018	0.015	0.161	0.111*	
World Production	**198.6**	**199.1**	**216.8**	**216.4**	**208.7**	**203.7**	**— 2.4**

* Partial; figures upto September 1955 only.
Source : Handy and Harman.

STATEMENT 9

PRICES* (SPOT) OF GOLD AND SILVER IN LONDON AND NEW YORK

(Per fine ounce)

	Gold†			Silver					
	London			London			New York		
	Highest	Lowest	Average**	Highest	Lowest	Average**	Highest	Lowest	Average**
	£. sh. d.	£. sh. d.	£. sh. d.	d.	d.	d.	cents	cents	cents
1950	..12 8 0	12 8 0	12 8 0	70	63	64 25/32	80.00	71.75	74.17
1951	..12 8 0	12 8 0	12 8 0	78½	70	77 27/32	90.16	80.00	89.37
1952	..12 8 0	12 8 0	12 8 0	77	72½	74 11/32	88.00	82.75	84.94
1953	..12 8 0	12 8 0	12 8 0	74	72⅞	73 15/16	85.25	83.25	85.19
1954	..12 11 7½	12 8 0	12 9 4 17/32	74⅜	72	73 15/32	85.25	85.25	85.25
1955	..12 11 11	12 9 4¾	12 10 11 3/32	80¼	73¾	77 17/32	92.00	85.25	89.10
January 1955	12 11 9½	12 11 5	12 11 7⅛	74¼	74	74¼	85.25	85.25	85.25
February „	12 11 11	12 11 6	12 11 9 13/32	74¼	73¾	74 3/32	85.25	85.25	85.25
March „	12 11 7½	12 11 0	12 11 1 13/16	77½	74¼	75 29/32	89.75	85.25	87.25
April „	12 11 0	12 10 4½	12 10 7 29/32	77	75½	75 23/32	88.50	87.00	87.09
May „	12 11 2½	12 10 5	12 10 8 5/32	78½	75½	77 7/32	90.50	87.00	88.94
June „	12 11 9	12 10 10	12 11 2 11/32	78¾	77¼	77 31/32	90.50	89.25	89.69
July „	12 11 9¾	12 11 2	12 11 7⅞	79	78¾	78⅞	90.75	90.13	90.50
August „	12 11 6	12 11 1½	12 11 4 9/32	79¼	78⅞	79⅛	90.75	90.75	90.75
September „	12 11 5	12 10 9¼	12 11 1 11/32	79¾	78⅞	79 15/32	91.88	90.75	90.81
October „	12 10 10½	12 10 1	12 10 6¾	80¼	79½	79 31/32	92.00	91.63	91.78
November „	12 10 1	12 9 7½	12 9 8 21/32	79½	77¾	79 5/16	91.63	90.00	91.47
December „	12 9 8½	12 9 4¾	12 9 6 23/32	78¾	77¾	78 7/32	90.75	90.16	90.46

The United States Treasury's price of gold : $ 35 per fine ounce from February 1, 1934.

* Closing prices. †Represents the United Kingdom Treasury's buying price of gold upto March 19, 1954 and thereafter market price. ** Average of working days.

Sources : Samuel Montagu & Co. Ltd. and Handy and Harman.

STATEMENT 10

SELECTED ECONOMIC INDICATORS (QUARTERLY)—INDIA

Items	Unit/Base	1953-54				1954-55				1955-56			
		I	II	III	IV	I	II	III	IV	I	II	III	IV
I. Production and Prices (Average of months)													
A—Index of Industrial Production													
1. All Industries	1951=100	..	..	..	..	..	114.9	118.9	122.3	128.0	128.1	126.1	..
B—Labour													
2. Number of man-days lost through Industrial Disputes	(000's)	747	824	1,223	1,001	629	964	779	802	2,164	1,799	621	1,922
C—Price Indices													
3. Wholesale Prices	Year ended August 1939 =100	395.9	407.3	391.2	395.8	393.4	382.7	375.2	359.8	343.3	355.3	363.5	380.6
4. Consumer Price Index Numbers (All-India)	1949=100	106	111	106	102	102	101	99	95	93	96	98	98
5. Index Numbers of Security Prices (All-India)													
(*i*) Government and Semi-Government Securities	1949-50=100	90.5	90.3	90.2	90.3	90.4	90.8	90.3	90.6	90.7	90.9	91.0	91.1
(*ii*) Preference Shares	"	86.8	87.4	87.3	87.9	88.3	89.0	88.3	88.0	87.6	87.6	87.6	86.6
(*iii*) Variable Dividend Industrial Securities	"	93.8	92.5	95.7	100.9	104.9	116.3	116.0	114.8	113.8	121.1	128.3	123.0
6. Bullion Prices (Bombay: Spot)													
(*i*) Gold	(Rs. per tola)	88 6	87 6	82 1	86 8	89 15	86 13	87 15	92 4	94 6	94 13	95 2	98 15
(*ii*) Silver	(Rs. per 100 tolas)	161 7	156 1	153 1	161 9	163 1	154 10	156 14	162 12	163 4	163 3	170 14	176 8
II. Money and Banking (Quarter-end)													
7. Currency with the public	(Crores of Rs.)	1,188.0	1,115.4	1,166.4	1,229.4	1,208.2	1,173.5	1,224.6	1,311.8	1,343.7	1,309.7	1,385.9	1,505.1
8. Deposit money with the public (*a*)	"	557.5	550.1	543.1	564.5	577.9	586.0	607.5	608.9	633.5	644.1	661.3	679.2
9. Money supply with the public(*a*) (7+8)	"	1,745.5	1,665.5	1,709.4	1,794.0	1,786.1	1,759.5	1,832.2	1,920.6	1,977.2	1,953.7	2,047.2	2,184.3
10. Foreign assets of the Reserve Bank of India	"	713.2	699.0	722.6	753.0	743.6	730.5	730.8	730.0	716.0	719.5	735.2	746.1
11. Central Government Deposits with the Reserve Bank of India	"	130.4	136.8	110.2	65.8	116.5	141.2	54.9	59.5	57.8	58.0	54.0	67.3

Items	Unit/Base	1953-54				1954-55				1955-56			
		I	II	III	IV	I	II	III	IV	I	II	III	IV
12. Other Governments' Deposits with the Reserve Bank of India	,,	16.9	21.3	18.8	62.6	20.3	14.5	16.7	60.3	11.2	11.6	10.6	62.0
13. 'Other loans and advances' by the Reserve Bank of India	,,	22.3	11.5	11.8	41.1	29.6	18.6	21.3	47.9	26.8	23.1	44.6	79.9
14. Scheduled Banks :													
(*i*) Demand liabilities (net) ..	,,	519.7	511.7	507.7	521.8	536.2	547.3	565.8	567.3	590.0	597.9	615.6	630.8
(*ii*) Time liabilities (net)	,,	325.0	327.2	329.3	325.6	333.1	350.0	365.3	375.3	393.1	413.0	412.6	412.3
(*iii*) Cash and balances with the Reserve Bank of India ..	,,	74.9	81.4	76.8	72.9	74.7	92.6	103.7	77.8	86.7	93.3	100.2	84.7
(*iv*) Advances and bills purchased and discounted (*b*) ..	,,	510.0	459.8	461.2	538.2	549.4	524.8	538.5	622.8	609.8	592.9	635.6	761.2
15. Cheque Clearances (Total)	,,	1,664.0	1,583.1	1,665.3	1,801.3	1,703.1	1,706.9	1,852.2	1,987.2	1,871.2	1,946.9	2,013.8	2,124.4
16. Call rate among larger banks in Bombay ..	(Per cent per annum)	2½	1¼—1½	2¾—3	2¾—3	2¾	2—2¼	3	2¾—3	2—2¼	2¼—2½	3	3¼—3⅜
III. Public Finance													
17. Tax Revenue** (*c*) ..	(Crores of Rs.)	88.8	180.5	271.2	418.1	80.8	175.4	278.1	452.7	89.8	201.9	..	478.7
18. Total Revenue** Receipts (net) ..	,,	92.2	203.1	299.1	379.9	85.0	202.4	311.7	420.2	94.2	231.9	..	462.5
19. Total Revenue** Expenditure (net) ..	,,	69.3	149.7	232.2	371.4	76.6	158.8	257.2	386.7	77.9	169.0	..	450.2
20. Rupee-debt of Government of India (Quarter-end)													
(*i*) Rupee loans ..	,,	1,413.4	1,364.3	1,364.3	1,364.3	1,444.5	1,511.6	1,473.8	1,474.4	1,474.4	1,516.4	1,508.7	1,508.7†
(*ii*) Treasury bills outstanding	,,	331.5	341.4	345.6	335.0	361.3	347.2	350.4	471.9	513.3	440.6	460.3	595.3
IV. Trade													
21. Total Imports ..	,,	165.1	149.7	125.0	132.1	151.9	159.5	174.0	170.9	153.9	149.2	174.1	201.6
22. Total Exports ..	,,	119.6	130.4	148.7	131.9	113.4	143.4	174.0	162.8	132.5	160.0	148.9	155.9
23. Net Balance of Trade .	,,	— 45.5	—19.3	+23.7	— 0.2	—38.5	—16.1	—	— 8.1	—21.4	+10.8	—25.2	—45.7
24. Net terms of Trade @		100.6	101.7	103.3	103.9	110.4	109.8	110.2	110.8	104.7	99.9	98.0	94.3
25. Total Number of Wagons loaded ..	(000 Nos.)	2,726	2,629	2,801	3,030	2,796	2,782	2,991	3,199	2,973	3,008	3,257	3,523

(*a*) Excluding Other Governments' deposits with the Reserve Bank of India.
(*b*) Excluding money at call and short-notice ; bills relate to inland bills only during 1953-54 and both inland and foreign bills thereafter.
(*c*) Relates to customs, Union excise duties, corporation tax and income-tax.
** April to quarter-end ; figures relate to the Union Government.
† Provisional.
@ Ratio of Export Price Index to Import Price Index.

STATEMENT 11

EMPLOYMENT EXCHANGE STATISTICS

(In Thousands)

Period	Number of registrations during the period	Number of applicants placed in employment during the period	Number of applicants on the live registers at the end of the period	Number of vacancies notified during the period	Number of vacancies outstanding at the end of the period
1950	1,210.4	331.2	330.7	419.3	28.2
1951	1,375.4	416.9	328.7	486.5	21.8
1952	1,476.7	357.8	437.6	429.6	22.9
1953	1,408.8	185.4	522.4	256.7	20.9
1954	1,465.5	162.5	609.8	239.9	29.3
1955	1,584.0	169.7	692.0	280.4	42.2
January 1955 ..	116.9	12.5	613.9	22.4	29.0
February „ ..	109.5	12.3	605.9	20.1	29.6
March „ ..	119.9	13.8	595.8	22.7	37.0
April „ ..	125.1	14.0	606.5	23.5	33.2
May „ ..	124.6	16.3	607.1	26.3	36.2
June „ ..	145.4	17.7	624.1	23.8	34.2
July „ ..	157.4	11.9	666.1	20.1	35.0
August „ ..	141.1	12.7	683.6	20.8	34.8
September „ ..	144.9	13.4	693.8	23.3	36.0
October „ ..	122.0	13.5	695.2	28.3	43.4
November „ ..	129.2	14.9	581.2	23.6	42.4
December „ ..	148.0	16.8	692.0	25.5	42.2
January 1956 ..	142.1	14.8	717.3	21.1	39.9
February „ ..	128.0	12.5	724.4	26.0	41.9
March „ ..	121.4	15.5	704.6	24.3	37.7

STATEMENT 12

INDUSTRIAL DISPUTES AND ABSENTEEISM

	Industrial Disputes*									Absenteeism		
	Numbers of									Percentage of man-shifts lost to manshifts scheduled to work		
	All Industries			Man-days lost (000's)								
	Disputes**	Workers Involved (000's)	Man-days Lost (000's)	Cotton	Jute	Iron and Steel	Heavy Chemicals@	Paper mills†	Coal	Iron and Steel	Cement	Match
	1	2	3	4	5	6	7	8	9	10	11	12
1950 ..	**814**	**720**	**12,807**	10,321	434	7	60	10	568	*12.4*	*10.6*	*11.0*
1951 ..	**1,071**	**691**	**3,819**	1,412	102	54	60	26	298	*11.0*	*11.8*	*10.5*
1952 ..	**963**	**809**	**3,337**	1,081	151	27	84	103	271	*10.9*	*11.5*	*10.6*
1953 ..	**772**	**467**	**3,383**	575	351	450	11	311	252	*10.9*	*11.9*	*10.1*
1954 ..	**840**	**477**	**3,373**	431	347	13	176	637	224	*12.0*	*12.1*	*10.4*
1955 ..	**1,633**	**724**	**5,385**	2,181	601	52	—	—	167	*11.4*	*11.7*	*10.6*
January 1955	**95**	**49**	**323**	85	17	10	—	—	2	*10.9*	*10.5*	*9.7*
February ,,	**91**	**38**	**144**	10	17	12	—	—	2	*10.8*	*12.1*	*10.8*
March ,,	**112**	**70**	**335**	39	73	1	—	—	14	*12.4*	*12.7*	*10.8*
April ,,	**99**	**30**	**304**	84	—	9	—	—	17	*12.1*	*12.3*	*12.9*
May ,,	**119**	**66**	**824**	662	—	5	—	—	21	*14.4*	*16.2*	*11.3*
June ,,	**154**	**85**	**1,036**	597	116	1	—	—	33	*13.8*	*12.8*	*12.0*
July ,,	**109**	**58**	**683**	366	97	4	—	—	19	*11.4*	*10.7*	*11.2*
August ,,	**235**	**91**	**534**	77	121	8	—	—	5	*10.1*	*10.2*	*11.4*
September,,	**252**	**95**	**582**	65	157	—	—	—	2	*9.3*	*9.6*	*10.2*
October ,,	**131**	**47**	**204**	54	3	1	—	—	2	*9.9*	*9.9*	*9.4*
November,,	**106**	**49**	**178**	54	—	—	—	—	14	*11.0*	*10.9*	*9.7*
December ,,	**130**	**46**	**239**	88	—	1	—	—	36	*9.8*	*12.3*	*7.4*

* Covers disputes involving ten or more persons and resulting in stoppage of work.

** Relates to disputes in progress during a part or whole of the period.

@ Figures for 1955 relate to the Heavy Chemicals Industry while those pertaining to earlier years relate to the Chemicals and Dyes Industry.

† Figures for 1955 relate to Paper mills while those pertaining to earlier years relate to the Paper and Printing Industry.

Source : Indian Labour Gazette.

STATEMENT 13

INDEX NUMBERS OF AGRICULTURAL PRODUCTION

(Agricultural Year 1949-50 = 100)

Commodities/Groups	Weight	1950-51	1951-52	1952-53	1953-54	1954-55
Rice	35.3	87.9	90.1	96.8	117.7	103.4
Wheat	8.5	101.1	93.9	112.7	119.8	129.9
Jowar	5.0	89.8	96.4	106.6	116.4	133.7
Bajra	2.7	83.8	75.8	94.8	134.5	107.2
Maize	2.1	84.4	101.3	123.3	129.0	128.1
Total Cereals ..	**58.3**	**90.3**	**91.2**	**101.4**	**119.3**	**112.1**
Gram	3.7	98.0	88.2	109.2	125.9	135.1
Total Pulses	**8.6**	**91.7**	**90.3**	**98.8**	**112.1**	**113.0**
Total Foodgrains	**66.9**	**90.5**	**91.1**	**101.1**	**118.4**	**112.2**
Groundnut	5.7	101.4	93.0	85.3	105.7	113.1
Total Oilseeds	**9.9**	**98.5**	**97.4**	**91.9**	**106.7**	**115.1**
Cotton	2.8	110.7	119.2	121.0	153.3	166.2
Jute	1.4	106.3	151.4	148.6	101.3	102.1
Mesta	0.3	100.0	104.8	103.3	99.4	167.6
Total Fibres	**4.5**	**108.6**	**128.3**	**128.4**	**133.5**	**146.4**
Tea	3.3	103.8	109.6	115.4	100.6	105.7*
Coffee	0.2	112.3	112.7	125.9	121.8	104.0*
Rubber	0.1	93.8	94.4	106.1	131.7	133.9*
Total Plantation Crops ..	**3.6**	**104.0**	**109.4**	**115.7**	**102.6**	**106.4**
Sugarcane	8.7	113.7	122.8	101.6	90.3	112.2
Tobacco	1.9	97.3	78.0	91.3	97.0	95.0
Total Miscellaneous ..	**15.1**	**110.3**	**114.0**	**101.5**	**97.1**	**112.7**
Total Non-foodgrains ..	**33.1**	**105.9**	**110.5**	**103.8**	**105.5**	**117.3**
All Commodities	**100.0**	**95.6**	**97.5**	**102.0**	**114.1**	**113.9**

Note.—The indices for 1953-54 are based on the partially revised estimates and those for 1954-55 are based on the final estimates and are, therefore, subject to revision.

Indices of commodities of minor importance are excluded from the Statement.

* Provisional.

Source : Ministry of Food and Agriculture, Government of India.

STATEMENT 14

PRODUCTION OF FOODGRAINS *

(Reporting and Non-Reporting Areas)

(Thousands of Tons)

Commodities	1950-51	1951-52	1952-53	1953-54	1954-55
Cereals					
1. Rice	20,251	20,964	22,537	27,769	24,209
2. Wheat	6,360	6,085	7,382	7,890	8,539
3. Jowar	5,408	5,981	7,243	7,954	9,092
4. Bajra	2,554	2,309	3,142	4,475	3,555
5. Maize	1,702	2,043	2,825	2,991	2,944
6. Ragi	1,407	1,291	1,316	1,846	1,778
7. Barley	2,340	2,330	2,882	2,905	2,786
8. Small millets	1,722	1,885	1,895	2,438	2,424
Total Cereals	**41,744**	**42,888**	**49,222**	**58,268**	**55,327**
Pulses					
9. Gram	3,593	3,334	4,142	4,756	5,125
10. Other Pulses†	4,685	4,953	4,902	5,694	5,349
Total Pulses	**8,278**	**8,287**	**9,044**	**10,450**	**10,474**
Grand Total (Cereals and Pulses)	**50,022**	**51,175**	**58,266**	**68,718**	**65,801**

Note.—Figures relate to the agricultural year ending June. * Figures up to 1953-54 are revised estimates; those for 1954-55 are final estimates and are, therefore, subject to revision † Reporting areas only.

Source : Area and Production of Principal Crops in India—Pre-war Average to 1954-55 (Summary Tables).

STATEMENT 15

PRODUCTION OF AGRICULTURAL COMMODITIES OTHER THAN FOODGRAINS *

(000s omitted)

Commodities	Unit	1950-51	1951-52	1952-53	1953-54	1954-55
1. Sugar (Raw)	(tons)	5,615	6,066	5,019	4,423	5,546
2. Oilseeds	(,,)	5,076	4,949	4,659	5,285	5,877
(*a*) Groundnut (Nuts in shell)	(,,)	3,426	3,142	2,883	3,391	3,823
(*b*) Rape and Mustard	(,,)	750	928	844	858	962
(*c*) Sesamum	(,,)	438	445	464	554	592
(*d*) Linseed	(,,)	361	328	366	379	388
(*e*) Castorseed	(,,)	101	106	102	103	112
3. Cotton (Lint)	(bales of 392 lbs. each)	2,910	3,133	3,194	3,944	4,227@
4. Jute	(bales of 400 lbs. each)	3,283	4,678	4,592	3,091	2,928@
5. Mesta	(,,)	..	..	682	650	1,106
6. Silk (Raw)	(lbs.)	2,886	2,712	2,558	2,462	3,208
7. Tea†	(,,)	6,07,318	6,41,079	6,75,270	5,88 733	..
8. Coffee†	(tons)	24	24	21	25	..
9. Rubber†	(,,)	14	14	16	20	19
10. Tobacco	(,,)	257	206	241	268	248
11. Lac	(mds.)	1,073	1,297	1,153	654	1,023

Note.—Figures relate to production in reporting areas only ; estimates of production in non-reporting areas in respect of crops other than cereals and gram are not available and are not likely to be significant. Items 1 to 5 and 8 and 10 refer to the agricultural year. Items 6, 7 and 9 refer to the calendar year, i.e. figures for 1950-51 relate to 1950 and so on. Item 11 relates to the financial year.

* Figures upto 1953-54 are revised estimates ; those for 1954-55 are final estimates and are, therefore, subject to revision. @ Partially revised.

† Estimates made by the Ministry of Food and Agriculture.

Sources : Items 1 to 5 and 7 to 11 : Area and Production of Principal Crops in India—Pre-war Average to 1954-55 (Summary Tables). Item 6 : figures supplied by the Ministry of Commerce and Industry.

STATEMENT 16

INDUSTRIAL PRODUCTION

	Industry	Weight	Indices (Average of months) (*Base* : 1951=100)* 1952	1953	1954	1955	Unit	Actual Production (Annual) 1954	1955	Plan Targets for 1955-56
1.	Textile Manufactures	48	103.7	107.1	110.0	113.2				
	Cotton Cloth	24	102.0	109.5	109.5	108.4	Million yards	4,998	5,093	4,700
	Cotton Yarn	12	103.0	108.4	113.5	117.3	Million lbs.	1,561	1,634	1,640
	Jute Textiles (*a*)	12	107.6	101.1	107.3	118.9	'000 Tons	927.6	1,027.2	1,200
2.	Sugar (*b*)	4	134.0	115.8	97.4	143.0	'000 Tons	1,008	1,595	1,800 (*j*)
3.	Paper and Paper Boards	2	104.2	105.9	117.7	140.2	'000 Tons	155	185	200
4.	Cigarettes	2	93.8	85.9	92.4	97.5	In Millions	19,828	20,902	..
5.	Coal	7	105.6	104.5	107.2	111.4	Lakh Tons	367.7	382.1	..
6.	Iron and Steel	6	102.2	95.7	113.2	113.3		..	..	..
	Finished Steel	4	102.4	95.0	115.5	117.1	'000 Tons	1,243	1,260	1,650 (*i*)
	Pig Iron and Ferro-alloys	2	101.7	97.4	107.5	103.9	'000 Tons	1,961	1,895	2,835 (*i*)
7.	General Engineering	5	92.8	108.9	151.9	180.6		..	..	..
	Hurricane Lanterns	1	88.6	108.4	125.4	133.6	'000's	4,987	5,314	6,000
	Diesel Engines	0.2	58.6	51.3	119.4	138.6	Number	8,652	10,044	50,000
8.	Chemicals and Chemical Products	4	117.9	130.0	141.1	157.8		..	..	..
	Soap (*c*)	1	103.5	98.5	105.5	117.8	'000 Tons	88.0	98.3	200(*d*)
	Matches (*e*)	1	107.1	106.9	91.5	104.7	'000 Cases (*f*)	529	605	706
	Sulphuric Acid	0.2	89.9	102.0	141.1	154.3	'000 Tons	151	165	200
9.	Automobiles	3	68.7	62.5	64.9	103.7	Number	14,460	23,088	30,000
10.	Rubber Products	3	100.5	108.8	127.7	140.2		..	..	..
	Tyres	2	102·1	112·6	126·3	138·2	000's	6,059(*g*)	6,630(*g*)	..
11.	Electricity Generated (*h*)	2	104.5	113.1	127.0	131.2	Lakh K.W.H.	74,400	76,836	..
12.	Cement	2	110.7	118.3	137.6	137.8	'000 Tons	4,398	4,416	4,800
13.	Non-Ferrous Metals	1	80.7	85.2	126.5	123.6		..	..	..
	Brass	1	74.7	89.7	139.2	116.1	'000 Tons	15.7	13.1	..
14.	Mica	..	..	..	..	..	'000 Cwts.	104	133	..
15.	Iron Ore	0.5	106.3	99.9	107.8	116.8	'000 Tons	3,936	4,260	..
16.	Manganese Ore	..	..	..	..	..	'000 Tons	1,396	1,520	..
17.	**General Index**	100	103.6	105.6	112.9	121·9		..	..	..

* Revised Series: This covers 88 items as against 35 items covered by earlier (interim) index with 1946 as the base.

(*a*) Figures relate to the production by Mills in the membership of the Indian Jute Mills Association and also to one non-member mill.

(*b*) Figures relate to the crop year (November to October) and are in respect of canesugar only.

(*c*) Figures refer to the production of organised factories.

(*d*) Includes figures for glycerine soap.

(*e*) Includes figures for Jammu and Kashmir.

(*f*) 50 gross boxes of 60 sticks each.

(*g*) Figures are in respect of automobile and cycle tyres only.

(*h*) Includes figures for Jammu and Kashmir and covers all power stations owned by Public Utility Undertakings and two stations owned by industrial concerns.

(*i*) Figures are in respect of main producers only.

(*j*) Revised target.

Sources : (1) Monthly Statistics of the Production of Selected Industries of India—Ministry of Commerce and Industry.
(2) The First Five Year Plan (Planning Commission) and
(3) Five-Year Plan Progress Report for April—September 1954.

STATEMENT 17

NATIONAL INCOME BY INDUSTRIAL ORIGIN

(AT CURRENT PRICES)

(In Rs. abja)*

	1954-55**	1953-54	1952-53	1951-52	1950-51	1949-50	1948-49
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Agriculture							
1. Agriculture, animal husbandry and ancillary activities	44.5	52.0	47.1	49.1	47.8	43.8	41.6
2. Forestry	0.8	0.7	0.6	0.7	0.7	0.7	0.6
3. Fishery	0.5	0.5	0.4	0.4	0.4	0.4	0.3
4. Total of agriculture	45.8	53.2	48.1	50.2	48.9	44.9	42.5
Mining, manufacturing and small enterprises							
5. Mining	0.9	1.0	0.9	0.9	0.7	0.6	0.6
6. Factory establishments	7.6	6.9	6.4	6.4	5.5	5.4	5.5
7. Small enterprises	9.9	9.8	9.7	9.5	9.1	9.0	8.7
8. Total of mining, manufacturing and small enterprises	18.4	17.7	17.0	16.8	15.3	15.0	14.8
Commerce, transport and communication							
9. Communication (post, telegraph and telephone)	0.4	0.4	0.4	0.4	0.4	0.3	0.3
10. Railways	2.2	2.0	2.0	2.1	1.8	1.8	1.7
11. Organised banking and insurance.	0.8	0.8	0.7	0.8	0.7	0.6	0.5
12. Other commerce and transport..	14.9	14.8	14.7	14.6	14.0	13.9	13.5
13. Total of commerce, transport and communication	18.3	18.0	17.8	17.9	16.9	16.6	16.0
Other services							
14. Professions and liberal arts ..	5.5	5.3	5.2	5.0	4.7	4.5	4.3
15. Government services (administration)	5.2	4.9	4.6	4.5	4.3	4.1	4.0
16. Domestic service	1.4	1.4	1.3	1.4	1.3	1.2	1.2
17. House property	4.5	4.4	4.3	4.1	4.1	4.0	3.9
18. Total of other services	16.6	16.0	15.4	15.0	14.4	13.8	13.4
19. Net domestic product at factor cost	99.1	104.9	98.3	99.9	95.5	90.3	86.7
20. Net earned income from abroad..	0.0	0.0	—0.1	—0.2	—0.2	—0.2	—0.2
21. Net national output at factor cost = national income	99.1	104.9	98.2	99.7	95.3	90.1	86.5

*abja = 100 crores. ** preliminary.

Source : Estimates of National Income published by the Central Statistical Organisation, Government of India.

STATEMENT 18

NATIONAL INCOME BY INDUSTRIAL ORIGIN

(AT 1948-49 PRICES)

(In Rs. abja*)

	1954-55**	1953-54	1952-53	1951-52	1950-51	1949-50	1948-49
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1. Agriculture, animal husbandry and ancillary activities (*a*)	49.6	49.9	46.0	44.4	43.4	43.6	42.5
2. Mining, manufacturing and small enterprises ..	17.1	16.5	15.8	15.2	14.8	14.6	14.8
3. Commerce, transport and communications	18.7	18.3	17.9	17.3	16.6	16.4	16.0
4. Other services (*b*)	16.3	15.7	15.0	14.3	13.9	13.8	13.4
5. Net domestic product at factor cost	101.7	100.4	94.7	91.2	88.7	88.4	86.7
6. Net earned income from abroad	0.0	0.0	—0.1	—0.2	—0.2	—0.2	—0.2
7. Net national output at factor cost=national income.	101.7	100.4	94.6	91.0	88.5	88.2	86.5

* abja = 100 crores.

** preliminary.

(*a*) including forestry and fishery.

(*b*) comprising professions and liberal arts, government services (administration), domestic service and house property.

Source: Estimates of National Income published by the Central Statistical Organisation, Government of India.

STATEMENT 19

INDEX NUMBERS OF WHOLESALE PRICES (ANNUAL AND MONTHLY)

(*Base* : Year ended August 1939=100)

Average of weeks		Food Articles (31)	Industrial Raw Materials (18)	Semi-Manufactures (17)	Manufactured Articles (30)	Miscellaneous (4)	General Index (100)
1950-51	.. .. ..	416.4	523.1	348.9	354.2	707.4	409.7
1951-52	.. .. ..	398.6	591.9	374.4	401.5	721.6	434.6
1952-53	.. .. ..	357.8	436.9	343.8	371.2	614.1	380.6
1953-54	.. .. ..	384.4	467.7	359.2	367.4	686.6	397.5
1954-55	.. .. ..	339.8	436.2	350.3	377.4	612.4	377.5
1955-56	.. .. ..	313.2	419.7	338.2	372.9	546.4	360.3
April	1954	381.6	472.1	362.4	380.9	707.4	402.6
May	„	366.2	464.6	362.6	381.1	689.5	396.1
June	„	343.2	441.0	355.6	378.7	647.3	381.6
July	„	353.9	423.2	354.2	376.6	636.0	381.3
August	„	362.4	420.8	351.9	375.8	608.9	382.3
September	„	363.6	426.0	353.3	377.7	607.8	384.4
October	„	355.9	428.8	351.8	376.5	605.7	381.6
November	„	334.2	443.8	348.8	377.0	605.4	376.1
December	„	318·0	436·3	347·4	375·1	579·7	367·8
January	1955	310.3	432.9	344.5	375.5	568.8	363.9
February	„	304.3	436.1	339.7	376.9	558.6	361.4
March	„	297.0	412.7	333.5	377.8	553.3	354.8
April	„	283.6	398.6	327.8	377.1	541.2	345.4
May	„	276.1	396.4	329.6	374.6	544.6	342.0
June	„	281.8	390.4	329.7	370.0	567.4	342.5
July	„	309.7	408.1	329.6	370.9	562.6	355.6
August	„	317.5	404.4	326.1	371.2	563.1	357.2
September	„	313.0	396.1	324.8	368.8	556.0	353.2
October	„	315.7	403.7	329.8	371.2	559.3	357.2
November	„	326.5	418.9	338.1	373.3	543.3	365.0
December	„	323.7	438.3	346.6	373.0	544.2	368.4
January	1956	333.4	454.2	353.5	375.2	540.0	376.0
February	„	335.3	464.6	355.8	375.3	529.3	378.4
March	„	351.6	475.6	369.4	374.8	508.1	387.3

Note—Figures in brackets refer to weightage.

Source : Office of the Economic Adviser to the Government of India.

STATE

INDEX NUMBERS OF WHOLESALE

(*Base* : Year ended

	Week ended (*a*)		Food Articles				Industrial Raw Materials				
			Cereals (59)	Pulses (8)	Others (*b*) (33)	Group Index (31)	Fibres (53)	Oil-seeds (30)	Mine-rals (10)	Others (*c*) (7)	Group Index (18)
			1	2	3	4	5	6	7	8	9
1	April 2, 1955		338	227	247	**295.3**	444	327	408	474	**403.4**
2	9, ,, ...		334	219	232	**286.4**	440	326	402	473	**400.4**
3	16, ,, ...		325	216	235	**282.4**	436	317	421	467	**396.9**
4	23, ,, ...		324	211	230	**279.7**	436	319	417	449	**395.9**
5	30, ,, ...		314	212	230	**274.9**	431	325	423	445	**396.2**
6	May 7, ,, ...		309	212	230	**272.4**	427	341	418	441	**399.2**
7	14, ,, ...		316	222	230	**276.5**	425	343	412	420	**397.1**
8	21, ,, ...		312	216	244	**279.2**	431	341	417	418	**399.6**
9	28, ,, ...		308	214	242	**276.2**	411	341	415	419	**389.6**
10	June 4, ,, ...		309	210	242	**276.7**	404	342	415	415	**386.2**
11	11, ,, ...		314	224	234	**277.3**	410	350	420	416	**392.2**
12	18, ,, ...		331	231	229	**284.9**	410	352	422	415	**393.1**
13	25, ,, ...		336	246	229	**288.7**	403	358	406	417	**389.9**
14	July 2, ,, ...		349	256	236	**299.0**	407	375	422	413	**398.7**
15	9, ,, ...		349	272	244	**304.0**	417	400	427	417	**412.8**
16	16, ,, ...		368	280	252	**317.8**	410	395	423	420	**407.2**
17	23, ,, ...		364	273	251	**314.8**	412	395	411	418	**407.0**
18	30, ,, ...		364	278	246	**313.3**	427	390	422	418	**414.6**
19	August 6, ,, ...		368	285	246	**315.7**	407	383	410	418	**400.7**
20	13, ,, ...		374	286	238	**315.1**	415	386	418	420	**406.5**
21	20, ,, ...		386	285	237	**320.5**	415	385	414	419	**405.6**
22	27, ,, ...		386	267	236	**318.5**	414	380	422	419	**404.7**
23	September 3, ,, ...		385	273	235	**318.2**	397	375	415	418	**393.1**
24	10, ,, ...		382	263	233	**315.2**	395	375	419	421	**392.8**
25	17, ,, ...		378	268	230	**312.0**	411	374	419	420	**401.0**
26	24, ,, ...		375	264	222	**306.5**	406	373	413	423	**397.5**
27	October 1, ,, ...		377	265	223	**308.3**	404	367	432	422	**396.2**
28	8, ,, ...		373	269	223	**306.4**	403	374	430	421	**397.8**
29	15, ,, ...		392	293	226	**319.4**	416	383	431	421	**407.5**
30	22, ,, ...		391	308	230	**322.1**	415	386	431	423	**407.9**
31	29, ,, ...		391	322	229	**322.8**	414	394	425	423	**409.7**
32	November 5, ,, ...		393	322	245	**330.6**	425	400	429	452	**419.6**
33	12, ,, ...		396	324	240	**330.1**	414	401	431	452	**414.2**
34	19, ,, ...		390	323	228	**321.8**	425	403	421	452	**419.5**
35	26, ,, ...		384	332	237	**323.6**	424	406	437	463	**422.2**
36	December 3, ,, ...		383	327	235	**322.0**	423	408	437	461	**422.5**
37	10, ,, ...		388	333	232	**323.2**	433	413	426	463	**428.3**
38	17, ,, ...		380	348	232	**320.4**	447	430	427	463	**440.7**
39	24, ,, ...		385	359	235	**325.3**	443	454	431	461	**446.5**
40	31, ,, ...		389	356	236	**327.4**	456	453	448	461	**454.7**
41	January 7, 1956		397	358	236	**331.3**	455	460	445	463	**456.0**
42	14, ,, ...		399	362	237	**333.8**	456	458	426	458	**453.8**
43	21, ,, ...		397	370	240	**334.2**	448	458	447	453	**451.1**
44	28, ,, ...		398	356	241	**334.0**	451	474	433	449	**456.1**
45	February 4, ,, ...		398	345	236	**331.1**	468	490	431	441	**468.4**
46	11, ,, ...		399	341	231	**328.8**	472	468	439	443	**465.2**
47	18, ,, ...		419	359	228	**338.3**	466	468	444	411	**460.2**
48	25, ,, ...		430	359	227	**343.0**	473	465	459	409	**464.5**
49	March 3, ,, ...		429	368	226	**343.1**	470	471	462	410	**464.9**
50	10, ,, ...		427	370	221	**339.8**	481	496	447	412	**476.3**
51	17, ,, ...		444	384	232	**354.0**	470	509	453	405	**474.6**
52	24, ,, ...		448	389	244	**362.5**	470	543	463	400	**484.6**
53	31, ,, ...		447	355	243	**358.8**	465	538	438	401	**477.9**

Note.—Figures in brackets refer to weightage; weightage of the sub-groups is as percentage of the main groups.

(*a*) The index is calculated from one-day-a-week prices on or about Friday of each week. (*b*) Comprising tea, coffee, sugar, gur and salt. (*c*) Comprising hides raw, skins raw, lac and rubber.

MENT 20

PRICES (GROUPS AND SUB-GROUPS), 1955-56

August 1939=100)

Semi-Manufactures								Manufactured Articles				Miscellaneous	General	
Leather	Mineral Oils	Vegetable Oils	Cotton Yarn	Metals	Oil Cakes	Others (d)	Group Index	Textiles	Metal Products	Others (e)	Group Index	(f)	Index	
(8)	(13)	(16)	(35)	(18)	(5)	(5)	(17)	(64)	(17)	(19)	(30)	(4)	(100)	
10	11	12	13	14	15	16	17	18	19	20	21	22	23	
390	221	337	434	243	286	330	**329.5**	419	340	287	**376.1**	**546.7**	**350.6**	1
393	221	324	432	244	285	328	**326.9**	422	340	287	**377.9**	**543.0**	**346.9**	2
393	221	326	433	245	282	328	**327.7**	420	340	287	**377.0**	**539.8**	**344.5**	3
395	221	329	429	245	277	329	**327.0**	420	340	287	**377.0**	**538.6**	**343.4**	4
396	221	331	429	244	300	329	**328.5**	418	340	287	**376.0**	**537.9**	**341.5**	5
395	221	335	430	244	278	328	**328.2**	415	344	287	**374.8**	**539.9**	**340.6**	6
402	221	342	427	244	273	328	**328.3**	416	344	287	**375.5**	**542.9**	**342.2**	7
400	221	347	426	244	305	327	**330.6**	415	343	286	**374.7**	**547.0**	**343.9**	8
401	221	353	424	244	312	328	**331.4**	413	343	286	**373.6**	**548.8**	**341.0**	9
391	221	351	424	244	309	329	**330.9**	409	343	286	**371.0**	**574.8**	**340.6**	10
381	221	348	423	244	309	329	**329.1**	408	343	286	**370.3**	**566.2**	**341.0**	11
385	221	351	422	244	321	329	**330.1**	406	343	286	**369.3**	**566.3**	**343.9**	12
389	201	368	419	244	338	330	**329.0**	406	343	286	**369.5**	**563.2**	**344.5**	13
388	201	386	407	255	321	330	**329.7**	405	351	286	**369.9**	**568.0**	**350.1**	14
357	201	408	406	256	345	330	**331.6**	406	352	286	**370.8**	**567.8**	**354.7**	15
360	201	406	408	256	327	329	**331.1**	406	352	286	**370.6**	**570.1**	**358.7**	16
358	201	399	406	256	332	329	**329.8**	407	352	286	**371.0**	**552.5**	**357.1**	17
316	201	390	406	256	339	329	**325.7**	408	352	286	**371.8**	**554.6**	**357.2**	18
344	201	388	405	257	329	329	**327.1**	408	352	286	**371.5**	**563.9**	**356.3**	19
331	201	386	408	257	330	330	**326.6**	408	352	286	**371.5**	**562.8**	**356.9**	20
338	201	383	405	257	333	330	**326.3**	407	352	286	**371.2**	**563.2**	**358.5**	21
337	201	371	407	257	332	330	**325.0**	406	352	286	**370.6**	**562.4**	**357.3**	22
338	201	371	406	258	335	330	**325.3**	403	352	286	**368.6**	**561.8**	**354.7**	23
327	202	362	407	259	342	330	**324.1**	403	352	286	**368.7**	**554.2**	**353.3**	24
329	202	362	408	259	344	330	**324.5**	404	352	286	**369.3**	**553.3**	**353.7**	25
338	202	362	407	258	344	330	**325.0**	403	352	286	**368.6**	**554.9**	**351.1**	26
342	202	364	406	258	342	330	**325.0**	405	353	286	**370.1**	**560.2**	**352.2**	27
335	202	367	406	277	351	330	**329.4**	405	371	286	**373.6**	**559.9**	**353.5**	28
335	202	369	408	276	350	330	**330.0**	400	371	285	**370.2**	**559.0**	**358.7**	29
338	202	379	409	276	357	330	**332.2**	401	371	285	**370.9**	**559.4**	**360.3**	30
341	202	382	408	276	349	330	**332.2**	402	371	285	**371.1**	**557.8**	**360.9**	31
358	202	388	408	276	362	330	**335.2**	404	371	285	**372.7**	**546.8**	**365.9**	32
379	202	387	409	277	371	330	**337.4**	405	371	285	**372.9**	**541.3**	**365.1**	33
382	202	395	410	277	365	330	**338.8**	406	371	284	**373.6**	**542.4**	**363.6**	34
385	202	397	415	277	365	330	**340.8**	406	371	284	**373.7**	**542.4**	**365.1**	35
390	202	398	418	278	365	331	**342.2**	405	371	285	**373.1**	**541.9**	**364.6**	36
393	202	406	418	279	359	330	**343.4**	404	371	284	**372.7**	**542.5**	**366.0**	37
398	202	417	422	279	349	330	**345.9**	405	371	284	**372.8**	**542.3**	**367.4**	38
408	202	425	431	279	351	330	**350.4**	404	371	285	**372.6**	**546.6**	**370.9**	39
411	202	424	434	279	351	330	**351.4**	406	371	285	**373.6**	**547.5**	**373.4**	40
412	202	426	433	280	360	330	**351.9**	409	371	285	**375.6**	**548.7**	**375.7**	41
418	202	426	433	280	359	330	**352.4**	409	371	285	**375.8**	**538.4**	**376.0**	42
424	202	424	434	280	394	330	**354.4**	407	371	285	**374.4**	**536.0**	**375.7**	43
414	202	426	436	280	372	364	**355.2**	408	371	285	**374.9**	**537.1**	**376.6**	44
394	202	429	439	280	363	364	**354.7**	409	371	285	**375.3**	**531.5**	**377.3**	45
408	202	425	445	280	344	364	**355.7**	409	371	285	**375.6**	**529.3**	**376.2**	46
398	202	426	446	280	342	364	**355.5**	409	371	284	**375.3**	**528.2**	**378.7**	47
408	208	422	446	281	341	365	**357.2**	409	371	284	**375.2**	**528.3**	**381.3**	48
405	208	433	453	282	353	365	**361.3**	409	371	284	**375.3**	**528.5**	**382.0**	49
409	208	467	451	282	356	364	**365.8**	410	371	284	**376.1**	**511.1**	**383.2**	50
408	208	485	451	282	391	364	**369.5**	408	371	285	**375.2**	**512.9**	**388.3**	51
410	208	521	453	282	402	364	**375.0**	406	371	285	**373.9**	**494.3**	**392.5**	52
411	208	525	453	282	396	363	**375.1**	405	371	286	**373.6**	**494.1**	**390.3**	53

(*d*) Comprising timber and coir yarn (*e*) Comprising shoes, tyres and tubes, cement, paper, matches, glass, soap, chemicals, paints, cigarettes, liquors and dyestuffs (*f*) Comprising vanaspati dalda, spices and condiments, betelnuts, cashewnuts, bricks and tiles and tobacco leaf.

Source : Office of the Economic Adviser to the Govern

STATEMENT 21

MOVEMENTS IN PRICE INDICES OF SELECTED COMMODITIES

(*Base* : Year ended August 1939 = 100)

Group and Commodity	Weight	Pre-Korea (June 24, 1950)	Post-Korea Peak (April 14, 1951)	April 10, 1954	March 26, 1955	June 4, 1955	March 31, 1956	Percentage variations of			
								5 over 3	6 over 5	6 over 4	6 over 3
		1	2	3	4	5	6	7	8	9	10
I. Food Articles ..	**31**	**407.1**	**414.3**	**389.0**	**293.0**	**276.7**	**358.8**	**—28.9†**	**+29.7**	**+22.5**	**— 7.8**
Cereals	**(59)**	**456**	**494**	**432**	**336**	**309**	**447**	**—28.5**	**+44.7**	**+33.0**	**+ 3.5**
Rice	(36)	501	553	486	415	405	518	—16.7	+27.9	+24.8	+ 6.6
Wheat	(12)	515	591	580	435	347	532	—40.2	+53.3	+22.3	— 8.3
Jowar	(8)	317	297	207	102	93	225*	—55.1	+141.9	+120.6	+ 8.7
Bajra	(3)	245	245	229	223	191	237	—16.6	+24.1	+ 6.3	+ 3.5
Pulses	**(8)**	**429**	**497**	**381**	**227**	**210**	**355**	**—44.9**	**+69.0**	**+56.4**	**— 6.8**
Gram	(5)	345	381	322	192	170	284	—47.2	+67.1	+47.9	—11.8
Others	**(33)**	**327**	**289**	**324**	**245**	**242**	**243**	**—25.3**	**+ 0.4**	**— 0.8**	**—25.0**
Sugar	(13)	278	297	328	281	263	265	—19.8	+ 0.8	— 5.7	—19.2
Gur	(9)	485	305	296	136	132	186	—55.4	+40.9	+36.8	—37.2
Tea	(7)	432@	406	599	577	524†	380*	—12.5	—27.5	—34.1	—36.6
II. Industrial Raw Materials	**18**	**494.2**	**699.8**	**472.2**	**400.1**	**386.2**	**477.9**	**—18.2**	**+23.7**	**+19.4**	**+ 1.2**
Fibres	**(53)**	**468**	**782**	**461**	**429**	**404**	**465**	**—12.4**	**+15.1**	**+ 8.4**	**+ 0.9**
Cotton Raw ..	(28)	440	491	472	382	376	472	—20.3	+25.5	+23.6	—
Jute Raw	(22)	479	1400	424	468	417	439	— 1.7	+ 5.3	— 6.2	+ 3.5
Wool Raw	(2)	597	907	672	690	713	726	+ 6.1	+ 1.8	+ 5.2	+ 8.0
Oilseeds	**(30)**	**657**	**718**	**523**	**334**	**342**	**538**	**—34.6**	**+57.3**	**+61.1**	**+ 2.9**
Groundnuts ..	(12)	746	831	610	358	363	604	—40.5	+66.4	+68.7	— 1.0
Rapeseed	(5)	651	622	474	341	314	495	—33.8	+57.6	+45.2	+ 4.9
Cottonseed	(4)	454	493	404	242	270	397	—33.2	+47.0	+64.0	— 1.7
Linseed	(3)	539	654	375	319	324	487	—13.6	+50.3	+52.7	+29.9
Copra	(2)	954	1040	745	570	621	631	—16.6	+ 1.6	+10.7	—15.3
Castorseed	(1)	481	856	364	252	252	451	—30.8	+79.0	+79.0	+23.9
Minerals	**(10)**	**342**	**403**	**454**	**423**	**415**	**438**	**— 8.6**	**+ 5.5**	**+ 3.5**	**— 3.5**
Coal	(6)	357	357	357	357	357	362	—	+ 1.4	+ 1.4	+ 1.4
Manganese Ore (Export Prices) ..	(2)	452	490	855	659	584	592	—31.7	+ 1.4	—10.2	—30.8
Mica	(1)	418	582	427	405	405	431	— 5.2	+ 6.4	+ 6.4	+ 0.9
Others	**(7)**	**371**	**591**	**390**	**475**	**415**	**401**	**+ 6.4**	**— 3.4**	**—15.6**	**+ 2.8**
Hides Raw	(3)	383	628	350	486	484	395	+38.3	—18.4	—18.7	+12.9
Lac	(1)	694	973	636	1110	813	773	+27.8	— 4.9	—30.4	+21.5
Rubber	(1)	201	283	313	340	340	358**	+ 8.6	+ 5.3	+ 5.3	+14.4

II. Semi-Manufactures ..	**17**	**335.5**	**390.1**	**359.9**	**332.0**	**330.9**	**375.1**	**— 8.1**	**+13.4**	**+13.0**	**+ 4.2**
Cotton Yarn ..	(35)	409	495	456	439	424	453	— 7.0	+ 6.8	+ 3.2	— 0.7
Metals	**(18)**	**174**	**191**	**240**	**243**	**244**	**282**	**+ 1.7**	**+15.6**	**+16.0**	**+17.5**
Pig Iron	(8)	123	123	186	186	186	186	—	—	—	—
Vegetable Oils ..	**(16)**	**663**	**730**	**494**	**348**	**351**	**525**	**—28.9**	**+49.6**	**+50.9**	**+ 6.3**
Mustard Oil ..	(7)	626	593	417	318	298	459	—28.5	+54.0	+44.3	+10.1
Groundnut Oil ..	(3)	801	929	640	404	409	657	—36.1	+60.6	+62.6	+ 2.7
Coconut Oil ..	(2)	935	1063	748	619	638	645	—14.7	+ 1.1	+ 4.2	—13.8
Linseed Oil	(1)	609	727	426	355	403	637	— 5.4	+58.1	+79.4	+49.5
Mineral Oils	**(13)**	**190**	**195**	**221**	**221**	**221**	**208**	**—**	**— 5.9**	**— 5.9**	**— 5.9**
Leather	**(8)**	**335**	**544**	**380**	**391**	**391**	**411**	**+ 2.9**	**+ 5.1**	**+ 5.1**	**+ 8.2**
Oilcakes	**(5)**	**467**	**508**	**418**	**277**	**309**	**396**	**—26.1**	**+28.2**	**+43.0**	**— 5.3**
Others	**(5)**	**315**	**355**	**306**	**331**	**329**	**363**	**+ 7.5**	**+10.3**	**+ 9.7**	**+18.6**
V. Manufactures	**30**	**346.9**	**413.1**	**380.6**	**376.1**	**371.0**	**373.6**	**— 2.5**	**+ 0.7**	**— 0.7**	**— 1.8**
Textiles	**(64)**	**398**	**504**	**426**	**419**	**409**	**405**	**— 4.0**	**— 1.0**	**— 3.3**	**— 4.9**
Cotton Manufactures	(45)	353	410	416	411	406	403	— 2.4	— 0.7	— 1.9	— 3.1
Jute Manufactures ..	(11)	561	1079	432	450	412	395	— 4.6	— 4.1	—12.2	— 8.6
Rayon and Silk Manufactures ..	(6)	591	677	547	468	479	502	—12.4	+ 4.8	+ 7.3	— 8.2
Woollen Manufactures	(2)	283	329	313	310	285	274	— 8.9	— 3.9	—11.6	—12.5
Metal Products ..	**(17)**	**269**	**278**	**340**	**340**	**343**	**371**	**+ 0.9**	**+ 8.2**	**+ 9.1**	**+ 9.1**
Iron and Steel ..	(8)	211	210	274	274	274	319	—	+16.4	+16.4	+16.4
Other Finished Products	**(19)**	**273**	**301**	**289**	**287**	**286**	**286**	**— 1.0**	**—**	**— 0.3**	**— 1.0**
Chemicals	(1)	281	282	297	300	300	282	+ 1.0	— 6.0	— 6.0	— 5.1
Dyestuffs	(1)	297	305	293	277	265	260	— 9.6	— 1.9	— 6.1	—11.3
V. Miscellaneous	**4**	**692.4**	**789.1**	**706.3**	**545.6**	**574.8**	**494.1**	**—18.6**	**—14.0**	**— 9.4**	**—30.0**
Tobacco Leaf ..	(42)	1003	1314	..	698	774	567*	..	—26.7	—18.8	..
Black Pepper ..	(21)††	2805	3439	1397	915	1042	784	—25.4	—24.8	—14.3	—43.9
Vanaspati Dalda ..	(5)	430	463	375	303	303	383	—19.2	+26.4	+26.4	+ 2.1
I. All Commodities ..	**100**	**397.1**	**462.0**	**404.4**	**349.7**	**340.6**	**390.3**	**—15.8**	**+14.6**	**+11.6**	**— 3.5**

Note :—Figures in brackets refer to weightage as percentage of the main groups.

†† This relates to weightage of the sub-group spices and condiments ; separate weightage for black pepper is not available.

@ June 10, 1950. † June 11, 1955. ** March 10, 1956. * March 24, 1956.

Source :—Compiled from the data published by the Office of the Economic Adviser to the Government of India.

STATEMENT 22

CONSUMER PRICE INDEX NUMBERS (WORKING CLASS)

(*Base* : 1949=100)

Year and Month		All-India	Bombay	Calcutta	Delhi	Madras	Ahmedabad	Bangalore	Jamshedpur	Kanpu
1950-51	.. ..	101	103	101	102	101	104	108	109	91
1951-52	.. ..	104	108	106	108	104	104	116	116	94
1952-53	.. ..	104	112	100	107	103	107	115	111	93
1953-54	.. ..	106	118	99	107	109	111	113	110	94
1954-55	.. ..	99	117	94	103	104	93	104	101	83
1955-56	.. ..	96	110	93	100	100	89	104	99	79
April	1954 ..	102	116	93	107	106	103	107	100	89
May	„ ..	102	116	97	108	106	101	107	103	87
June	„ ..	101	120	95	102	106	97	108	104	83
July	„ ..	101	119	95	102	105	97	107	101	84
August	„ ..	101	118	95	102	104	96	106	102	85
September	„ ..	100	119	95	104	104	95	104	103	85
October	„ ..	101	118	97	107	105	95	103	104	85
November	„ ..	98	118	93	105	104	92	102	101	81
December	„ ..	97	117	92	102	104	88	102	98	77
January	1955 ..	97	115	93	100	103	85	102	99	78
February	„ ..	95	112	89	97	101	83	101	98	80
March	„ ..	94	111	89	96	99	83	101	96	79
April	„ ..	93	111	89	95	97	81	101	93	74
May	„ ..	92	109	91	92	95	82	101	93	70
June	„ ..	93	108	91	93	96	85	100	94	73
July	„ ..	96	111	93	99	98	90	102	97	78
August	„ ..	97	111	95	101	98	92	105	100	78
September	„ ..	96	108	94	101	100	90	106	99	78
October	„ ..	97	108	96	101	100	91	104	101	81
November	„ ..	98	107	97	103	101	92	104	102	82
December	„ ..	98	108	95	106	103	93	104	102	82
January	1956 ..	97	109	92	105	103	92	105	100	85
February	„ ..	97	110	91	104	103	90	105	99	82
March	„ ..	100	114	93	105	105	93	108	103	83

Source : The Indian Labour Gazette.

STATEMENT 23

VARIATIONS IN MONEY SUPPLY AND ALLIED DATA DURING 1951-52 TO 1955-56 (FIRST PLAN PERIOD)

(Crores of Rupees)

	1951-52	1952-53	1953-54	1954-55	1955-56	Total for the five years 1951-52 to 1955-56	Outstanding as on March 30, 1956
	1	2	3	4	5	6	7
Money Supply with the Public (*a*)							
1. Currency with the public (*b*)	—114.8	— 17.3	+ 30.2	+ 82.3	+193.3	+173.7	1,505.1
2. Demand liabilities (net) of banks (*c*) ..	— 53.7	— 18.7	+ 0.9	+ 49.3	+ 68.1	+ 45.9	667.2
3. Other deposits with the Reserve Bank (*d*)	— 6.4	— 3.1	— 1.8	— 5.0	+ 2.3	— 14.0	12.0
4. Total Money Supply with the Public (1+2+3)	**—174.9**	**— 39.1**	**+ 29.3**	**+126.6**	**+263.7**	**+205.6**	**2,184.3**
Allied Data (*e*)							
5. Central Government deposits with the Reserve Bank	+ 18.1	— 44.4	— 70.0	— 6.3	+ 7.9	— 94.7	67.3
6. Other Governments' deposits with the Reserve Bank	— 1.3	— 5.2	+ 42.7	— 2.3	+ 1.8	+ 35.6	62.0
7. Foreign assets held by the Reserve Bank.	—161.1	+ 0.6	+ 29.3	— 23.0	+ 16.1	—138.1	746.1
8. Rupee Securities held by the Reserve Bank	— 19.1	— 20.8	— 58.5	+ 65.8	+172.7	+140.2	726.0
9. Loans and advances to Governments by the Reserve Bank	— 0.6	+ 2.4	— 2.8	— 0.1	— 0.5	— 1.6	—
10. Other loans and advances by the Reserve Bank	+ 44.6	— 34.4	+ 14.2	+ 6.8	+ 32.1	+ 63.2	79.9
11. Bills purchased and discounted by the Reserve Bank	— 4.5	+ 5.1	+ 1.9	— 0.4	+ 1.9	+ 4.0	12.2
12. Cash on hand and balances with the Reserve Bank, of banks (*c*)	— 15.3	— 3.5	— 2.4	+ 5.2	+ 7.7	— 8.3	91.4
13. Time liabilities (net) of banks (*c*) ..	— 8.8	+ 35.4	+ 16.4	+ 51.7	+ 42.6	+137.3	471.2
14. Advances and bills purchased and discounted (*f*) in India, of banks (*c*) ..	+ 47.9(*h*)	— 49.8	+ 8.1	+ 65.1	+ 147.9	+205.7*	828.3
15. Investments in Government securities (*g*), by banks (*c*)	— 24.9(*i*)	+ 8.9	+ 18.1	+ 28.1	+ 21.2	+ 51.4	398 3

Note.—Deposits of Other Governments with the Reserve Bank have been excluded from Money Supply with the public ; figures of Money Supply published in earlier Reports included these deposits.

No adjustments have been made for the net inward or outward movements of currency.

(*a*) Figures are provisional.
(*b*) Including *Hali Sicca* currency.
(*c*) Scheduled banks and reporting non-scheduled and State co-operative banks.
(*d*) Excluding balances held on I.M.F. Account No. I.
(*e*) Figures are gross variations ; no adjustments have been made in respect of extraordinary transactions.
(*f*) Excluding money at call and short notice ; bills relate to inland bills only upto May 7, 1954and both inland and foreign bills thereafter.
(*g*) At book value ; include Treasury bills and Treasury Deposit Receipts.
(*h*) Including money at call and short notice.
(*i*) Relates to scheduled and reporting non-scheduled banks only and is based on Form XIII submitted under Section 27(1) of the Banking Companies Act.

* After making adjustment for a decline of Rs. 13·5 crores in foreign bills purchased and discounted between March 1951 and April 1954, as revealed by a Survey conducted by the Department of Research and Statistics, Reserve Bank of India.

STATE

SEASONAL VARIATIONS IN MONEY

	1950-51		1951-52	
	Slack season May 13, 1950 to Sept. 29, 1950	Busy season Sept. 30, 1950 to May 11, 1951	Slack season May 12, 1951 to Oct. 26, 1951	Busy season Oct. 27, 1951 to Apr. 11, 1952
	1	2	3	4
Money Supply with the public (*a*)				
1. Currency with the public (*b*)..	—109.7	+220.0	—193.4	+ 53.3
2. Demand liabilities (net) of banks (*c*).. ..	+ 18.1	— 0.8	— 9.3	— 28.8
3. Other Deposits with the Reserve Bank (*d*) ..	+ 1.0	+ 17.7	— 11.4	—
4. Total Money Supply with the public (1+2+3).	— 90.6	+236.9	—214.1	+ 24.5
Allied Data (*e*)				
5. Central Government deposits with the Reserve Bank	+ 30.5	— 31.0	+ 58.6	— 46.6
6. Other Governments' deposits with the Reserve Bank	— 2.2	+ 9.9	— 6.9	— 12.1
7. Foreign Assets held by the Reserve Bank ..	— 43.4	+ 74.0	— 84.9	— 81.2
8. Rupee Securities held by the Reserve Bank..	+ 1.5	+ 82.6	— 27.5	— 35.4
9. Loans and advances to Governments by the Reserve Bank	— 4.1	+ 6.1	— 1.9	— 3.8
10. Other loans and advances by the Reserve Bank	— 6.1	+ 18.4	— 16.2	+ 44.8
11. Bills purchased and discounted by the Reserve Bank	— 1.3	+ 2.1	+ 3.3	+ 5.7
12. Cash on hand and balances with the Reserve Bank, of banks (*c*)	+ 26.3	— 23.7	+ 24.8	— 32.6
13. Time liabilities (net) of banks (*c*)	+ 2.1	+ 15.4	— 3.6	— 7.9
14. Advances and bills purchased and discounted(*f*) in India, of banks (*c*)	— 64.3(*h*)	+173.1(*h*)	— 82.6(*h*)	+ 92.7(*h*)
15. Investments in Government securities (*g*), by banks (*c*)	+ 31.8(*i*)	—60.1(*i*)	+ 9.0(*i*)	— 19.2(*i*)

Note :—Deposits of other Governments with the Reserve Bank have been excluded from Money Supply with the public; figures of Money Supply published in earlier Reports included these deposits.

No adjustments have been made for the net inward or outward movements of currency.

(*a*) Figures are provisional

(*b*) Including *Hali Sicca* Currency

(*c*) Scheduled banks and reporting non-scheduled and State co-operative banks.

(*d*) Excluding balances held on I. M. F. Account No. I.

MENT 24

SUPPLY AND ALLIED DATA

(Crores of Rupees)

1952-53		1953-54		1954-55		1955-56			
Slack season Apr. 12, 1952 to Oct. 24, 1952	Busy season Oct. 25, 1952 to May 8, 1953	Slack season May 9, 1953 to Sept. 25, 1953	Busy season Sept. 26, 1953 to May 7, 1954	Slack season May 8, 1954 to Sept. 24, 1954	Busy season Sept. 25, 1954 to May 6, 1955	Slack season May 7, 1955 to Oct. 28, 1955	Busy season Oct. 29, 1955 to May 11, 1956	Outstanding as on May 11, 1956	
5	6	7	8	9	10	11	12	13	
—104.3	+103.1	—124.6	+155.0	— 96.8	+190.0	— 32.1	+ 237.2	1,568.6	1
— 13.0	— 18.2	— 2.6	+ 10.7	+ 26.0	+ 31.8	+ 28.0	+ 26.5	662.3	2
— 9.4	— 0.2	— 0.4	+ 5.8	— 6.6	+ 0.3	+ 0.9	— 0.1	11.0	3
—126.7	+ 84.7	—127.6	+171.5	— 77.4	+222.1	— 3.2	+ 263.6	2,241.9	4
— 7.0	— 39.6	+ 38.3	— 52.1	+ 56.4	— 91.1	— 0.8	+ 16.0	65.4	5
+ 10.5	— 2.2	+ 5.7	— 0.3	— 6.6	+ 8.7	+ 7.0	— 23.6	6.7	6
— 22.3	+ 26.0	— 19.9	+ 54.4	— 22.9	— 14.8	— 3.4	+ 5.6	718.0	7
+ 8.3	— 13.2	— 28.4	— 19.9	+ 25.3	+ 62.0	+ 18.7	+ 148.5	742.4	8
+ 2.2	+ 0.8	— 4.2	+ 0.9	+ 0.1	— 0.1	— 0.8	+ 2.6	2.6	9
— 42.2	+ 24.8	— 22.3	+ 52.5	— 45.4	+ 21.9	— 20.9	+ 68.5	88.1	10
— 10.4	+ 10.8	— 11.4	+ 9.3	— 3.0	+ 4.0	— 4.9	+ 3.0	10.1	11
+ 18.4	— 26.5	+ 10.1	— 8.7	+ 20.4	— 11.9	+ 12.1	— 7.8	90.8	12
+ 29.2	+ 16.2	+ 8.3	+ 1.9	+ 23.7	+ 32.2	+ 40.3	+ 12.7	489.3	13
—120.3	+ 80.9	— 79.8	+107.8	— 63.4	+102.6	— 30.1	+ 183.0	837.4	14
+ 19.0	— 9.5	+ 34.4	— 9.9	+ 24.3	— 0.9	+ 53.2	— 37.4	393.8	15

(*e*) Figures are gross variations; no adjustments have been made in respect of extra-ordinary transactions.

(*f*) Excluding money at call and short notice; bills relate to inland bills only upto May 7, 1954, and both inland and foreign bills thereafter.

(*g*) At book value; include Treasury bills and Treasury Deposit Receipts.

(*h*) Including Money at call and short notice.

(*i*) Relates to scheduled and reporting non-scheduled banks only and is based on Form XIII submitted under Section 27 (1) of the Banking Companies Act.

STATE

MONEY SUPPLY

	Last Friday	CURRENCY WITH THE PUBLIC					
		India and Hali Sicca notes in circulation (*b*)	Circulation of India and Hali Sicca rupee coin (*c*)	Balances of Central and State Governments held at Treasuries (*d*)	Cash on hand of scheduled, non-scheduled (*e*) and State co-operative banks (*f*)	**Currency with the public (including Hali Sicca Currency) (1+2—3—4)**	Variations in currency with the public
		1	2	3	4	5	6
1	1950-51 ..	1,238.60	144.11	4.42	39.10	**1,339.19**	+ 87.91
2	1951-52 ..	1,128.29	131.11	3.70	39.13	**1,216.57**	—114.84(*g*)
3	1952-53 ..	1,119.06	125.22	7.34	37.69	**1,199.25**	— 17.32
4	1953-54 ..	1,150.17	120.71	4.26	37.19	**1,229.43**	+ 30.18
5	1954-55 ..	1,236.44	115.01	2.83	36.85	**1,311.77**	+ 82.34
6	1955-56 ..	1,424.23	123.45	1.14*	41.45	**1,505.09**	+193.32
7	April 1954..	1,180.79	115.51	6.51	37.74	**1,252.05**	+ 22.61
8	May „ ..	1,165.90	116.12	5.88	38.04	**1,238.10**	— 13·95
9	June „ ..	1,137.05	115.17	5.89	38.12	**1,208.21**	— 29.89
10	July „ ..	1,104.62	111.19	5.68	34.51	**1,175.61**	— 32.60
11	August „ ..	1,098.79	109.27	5.19	35.87	**1,167.01**	— 8.60
12	September „ ..	1,108.23	109.27	5.60	38.37	**1,173.53**	+ 6.52
13	October „ ..	1,122.75	109.40	5.57	41.14	**1,185.44**	+ 11.91
14	November „ ..	1,122.41	108.74	5.19	37.51	**1,188.45**	+ 3.01
15	December „ ..	1,160.74	111.51	5.19	42.46	**1,224.61**	+ 36.16
16	January 1955..	1,177.67	112.37	4.99	39.14	**1,245.91**	+ 21.30
17	February „ ..	1,201.65	114.31	5.70	37.91	**1,272.35**	+ 26.44
18	March „ ..	1,236.44	115.01	2.83	36.85	**1,311.77**	+ 39.42
19	April „ ..	1,269.69	117.59	5.19	39.22	**1,342.87**	+ 31.10
20	May „ ..	1,274.72	119.15	4.86	40.60	**1,348.41**	+ 5.54
21	June „ ..	1,269.22	119.42	5.41	39.49	**1,343.74**	— 4.67
22	July „ ..	1,249.74	116.94	5.16	36.72	**1,324.80**	— 18.94
23	August „ ..	1,243.26	114.71	5.17	38.07	**1,314.74**	— 10.06
24	September „ ..	1,238.31	113.70	4.94	37.40	**1,309.67**	— 5.07
25	October „ ..	1,263.87	114.41	5.09	41.79	**1,331.40**	+ 21.73
26	November „ ..	1,281.67	115.36	5.38	40.41	**1,351.24**	+ 19.84
27	December „ ..	1,319.80	117.46	5.18	46.20	**1,385.89**	+ 34.65
28	January 1956..	1,336.84	118.72	5.39	42.50	**1,407.67**	+ 21.78
29	February „ ..	1,360.53	120.23	5.24	39.84	**1,435.68**	+ 28.01
30	March „ ..	1,424.23	123.45	1.14*	41.45	**1,505.09**	+ 69.41

Note.—Deposits of Other Governments with the Reserve Bank have been excluded from Money Supply with the public ; figures of Money Supply published in earlier Reports included these deposits.

No adjustments have been made for the net inward or outward movements of currency.

(*a*) Figures are provisional and do not include small coin in circulation. (*b*) Figures are net of the return of about Rs. 43 crores of India notes from Pakistan awaiting adjustment. (*c*) Estimates (for details see footnote to Statement

MENT 25

WITH THE PUBLIC (*a*)

(Crores of Rupees)

DEPOSIT MONEY				Money Supply with the public (including Hali Sicca currency) (5+9)	Variations in money supply with the public (6+10)	
Demand liabilities (excluding inter-bank demand deposits) of scheduled, non-scheduled (*e*) and co-operative (*f*) banks	'Other deposits' with the Reserve Bank (*h*)	Deposit money with the public (7+8)	Variations in deposit money			
7	8	9	10	11	12	
614.29	26.01	640.30	+30.93	1,979.49	+118.84	1
567.62	19.60	587.22	—60.08	1,803.79	—174.92(g)	2
548.95	16.51	565.46	—21.76	1,764.71	— 39.08	3
549.83	14.71	564.54	— 0.92	1,793.97	+ 29.26	4
599.16	9.71	608.86	+44.31	1,920.63	+ 126.65	5
667.21	12.01	679.22	+70.36	2,184.31	+263.68	6
558.05	16.02	574.07	+ 9.53	1,826.12	+ 32.14	7
563.56	17.12	580.68	+ 6.61	1,818.78	— 7.34	8
564.98	12.86	577.85	— 2.83	1,786.07	— 32.71	9
568.64	12.51	581.15	+ 3.30	1,756.77	— 29.30	10
577.98	9.82	587.80	+ 6.65	1,754.80	— 1.97	11
576.01	9.97	585.98	— 1.82	1,759.50	+ 4.70	12
579.08	10.24	589.32	+ 3.34	1,774.76	+ 15.26	13
591.39	10.23	601.62	+12.30	1,790.07	+ 15.31	14
597.20	10.34	607.54	+ 5.92	1,832.15	+ 42.08	15
601.04	10.01	611.05	+ 3.51	1,856.96	+ 24.81	16
610.04	10.27	620.31	+ 9.26	1,892.66	+ 35.70	17
599.16	9.71	608.86	—11.45	1,920.63	+ 27.97	18
614.26	10.98	625.23	+16.37	1,968.11	+ 47.48	19
616.96	9.96	626.92	+ 1.69	1,975.33	+ 7.22	20
623.43	10.03	633.46	+ 6.54	1,977.20	+ 1.87	21
619.53	10.39	629.92	— 3.54	1,954.72	— 22.48	22
632.86	11.60	644.45	+14.53	1,959.19	+ 4.47	23
632.36	11.70	644.07	— 0.38	1,953.74	— 5.45	24
635.72	11.12	646.85	+ 2.78	1,978.24	+ 24.50	25
640.40	10.81	651.21	+ 4.36	2,002.46	+ 24.22	26
650.14	11.14	661.28	+10.07	2,047.17	+ 44.71	27
674.12	12.43	686.55	+25.27	2,094.21	+ 47.04	28
661.97	11.31	673.28	—13.27	2,108.96	+ 14.75	29
667.21	12.01	679.22	+ 5.94	2,184.31	+ 75.35	30

86 of the Report for 1953-54). (*d*) Figures are as on last day of the month/year. Balances of Part 'B' States are available only in respect of two States, viz., Mysore and Travancore-Cochin and these have been included from March 1953. (*e*) Figures from 1951-52 include those in respect of non-scheduled banks incorporated in and confining their activities to Part 'B' States. (*f*) Figures relate to the reporting State co-operative banks only. (*g*) Figures are net of adjustments made in respect of India notes returned from circulation in Aden. (*h*) Excluding balance held on I.M.F. Account No. I.

* Provisional.

STATE

CONSOLIDATED POSITION OF SCHEDULED

1955-56 As at the close of		No. of Reporting Banks	Demand Liabilities*	Time Liabilities*	Total Liabilities* (2+3)	Inter-bank Borrowings@ Demand	Inter-bank Borrowings@ Time	Net Liabilities (4-5-6)	Borrowings from Reserve Bank	Borrowings from State Bank†	Cash in India
1955		1	2	3	4	5	6	7	8	9	10
1 April	1	88	580,92	376,38	**957,30**	5,88	1,41	**950,01**	37,90	9,64	32,83
2 ,,	8	88	584,38	378,84	**963,22**	9,38	1,41	**952,43**	21,33	7,91	34,78
3 ,,	15	88	591,78	380,98	**972,76**	10,29	1,67	**960,80**	24,91	5,70	36,16
4 ,,	22	88	590,93	382,16	**973,09**	9,13	2,17	**961,79**	26,49	4,49	34,57
5 ,,	29	88	590,27	383,68	**973,95**	9,59	2,20	**962,16**	26,92	4,92	34,11
6 May	6	88	582,52	383,88	**966,40**	8,23	2,10	**956,07**	32,29	6,29	34,19
7 ,,	13	88	581,00	385,94	**966,94**	7,54	1,90	**957,50**	35,80	5,79	34,86
8 ,,	20	88	587,31	387,60	**974,91**	9,22	2,20	**963,50**	31,96	5,12	34,39
9 ,,	27	88	592,36	388,36	**980,72**	8,84	2,67	**969,22**	27.18	4,73	35,35
10 June	3	88	590,63	391,50	**982,13**	9,33	3,11	**969,69**	20,62	4,78	35,02
11 ,,	10	88	592,18	393,02	**985,20**	9,93	3,26	**972,01**	20,40	4,18	34,63
12 ,,	17	88	593,87	394,13	**988,01**	12,79	3,32	**971,90**	18,85	2,57	34,09
13 ,,	24	88	602,40	396,82	**999,21**	12,35	3,70	**983,16**	17,22	2,30	34,28
14 July	1	89	600,75	398,19	**998,93**	7,73	3,73	**987,47**	27,68	3,94	35,69
15 ,,	8	89	594,29	399,62	**993,92**	9,99	3,93	**980,00**	31,82	4,51	34,22
16 ,,	15	89	602,31	402,06	**1,004,37**	11,41	3,73	**989,23**	25,33	2,73	33,82
17 ,,	22	89	603,49	406,39	**1,009,88**	11,16	4,02	**994,70**	15,15	2,34	33,34
18 ,,	29	89	600,29	409,72	**1,010,01**	12,89	4,01	**993,11**	12,04	2,67	31,96
19 August	5	89	602,90	410,38	**1,013,28**	12,10	3,86	**997,32**	8,99	3,07	34,40
20 ,,	12	89	607,28	409,26	**1,016,53**	12,02	4,01	**1,000,51**	7,49	3,02	34,55
21 ,,	19	89	601,25	407,72	**1,008,97**	8,69	3,84	**996,44**	21,66	11,30	34,54
22 ,,	26	89	607,99	409,09	**1,017,08**	8,86	3,59	**1,004,62**	16,48	5,75	33,21
23 September	2	89	601,77	409,80	**1,011,57**	8,14	2,94	**1,000,48**	20,62	10,41	33,17
24 ,,	9	89	599,61	413,30	**1,012,91**	9,01	2,84	**1,001,06**	16,33	8,21	33,60
25 ,,	16	89	599,15	412,45	**1,011,60**	7,66	3,30	**1,000,63**	17,37	7,55	33,07
26 ,,	23	89	608,61	415,31	**1,023,92**	12,09	3,39	**1,008,44**	12,47	5,16	33,84
27 ,,	30	89	611,07	417,46	**1,028,53**	13,13	4,44	**1,010,96**	9,18	4,78	32,37
28 October	7	89	609,92	421,42	**1,031,34**	10,81	6,07	**1,014,45**	8,06	3,95	33,01
29 ,,	14	89	609,95	422,21	**1,032,16**	10,62	5,57	**1,015,97**	6,74	3,48	32,56
30 ,,	21	89	615,41	423,77	**1,039,19**	12,95	5,67	**1,020,57**	5,39	4,39	33,46
31 ,,	28	89	616,13	424,40	**1,040,54**	14,49	5,07	**1,020,98**	5,55	5,41	37,02
32 November	4	89	614,29	423,70	**1,037,99**	15,60	5,11	**1,017,28**	6,86	6,26	35,16
33 ,,	11	89	603,08	424,24	**1,027,32**	11,73	6,37	**1,009,22**	12,34	7,36	32,70
34 ,,	18	89	612,67	423,19	**1,035,87**	13,04	6,76	**1,016,07**	11,30	6,32	37,61
35 ,,	25	89	619,41	424,01	**1,043,42**	13,81	6,81	**1,022,80**	8,03	5,73	35,20
36 December	2	89	618,25	423,28	**1,041,53**	14,33	6,86	**1,020,35**	10,62	6,55	34,11
37 ,,	9	89	615,56	422,36	**1,037,92**	12,15	6,21	**1,019,57**	11,90	6,95	34,44
38 ,,	16	89	612,92	421,85	**1,034,77**	9,23	6,86	**1,018,69**	15,26	7,83	34,12
39 ,,	23	89	606,33	420,36	**1,026,69**	6,79	5,79	**1,014,12**	17,72	7,70	33,88
40 ,,	30	89	620,61	417,36	**1,037,97**	5,01	4,74	**1,028,22**	30,02	7,30	39,33
1956											
41 January	6	89	615,51	413,53	**1,029,03**	5,10	4,17	**1,019,77**	29,84	10,14	38,04
42 ,,	13	89	633,08	412,36	**1,045,45**	6,28	3,75	**1,035,42**	28,45	11,45	35,74
43 ,,	20	89	653,69	411,26	**1,064,95**	6,76	3,31	**1,054,89**	27,54	11,25	36,16
44 ,,	27	89	647,32	409,75	**1,057,07**	6,58	3,31	**1,047,19**	29,37	11,79	37,36
45 February	3	89	635,84	412,28	**1,048,12**	6,87	3,56	**1,037,70**	34,79	13,73	34,67
46 ,,	10	89	627,78	413,43	**1,041,21**	6,13	3,26	**1,031,82**	39,46	12,75	35,00
47 ,,	17	89	630,07	416,92	**1,046,99**	5,46	3,26	**1,038,28**	38,65	13,12	36,28
48 ,,	24	89	630,66	418,19	**1,048,86**	4,24	3,27	**1,041,35**	40,82	12,17	34,77
49 March	2	89	623,02	418,75	**1,041,78**	5,11	3,97	**1,032,70**	48,47	14,44	34,77
50 ,,	9	89	612,21	416,81	**1,029,01**	3,79	3,14	**1,022,09**	53,70	15,56	33,89
51 ,,	16	89	615,42	413,74	**1,029,16**	4,79	3,02	**1,021,35**	61,59	17,57	35,24
52 ,,	23	89	621,91	412,86	**1,034,77**	3,72	2,87	**1,028,18**	66,93	19,89	34,44
53 ,,	30	89	635,67	415,35	**1,051,02**	4,87	3,01	**1,043,15**	65,08	19,71	35,84

* Including inter-bank borrowings.

@ Excluding borrowings from the Reserve Bank of India and the State Bank of India (the Imperial Bank of India prior to July 1, 1955).

† Figures relate to the Imperial Bank of India upto June 30, 1955.

MENT 26

BANKS (WEEKLY), 1955-56

(Lakhs of Rupees)

Balances with Reserve Bank	Excess of 11 over the Statutory Minimum	Total Cash and Balances with the Reserve Bank (10+11)	Percentage of 13 to 7	Balances with other Banks in Current Account	Investments in Government Securities*	Percentage of 16 to 7	Money at Call and Short Notice	Bills Purchased and Discounted: Inland	Bills Purchased and Discounted: Foreign	Advances	Percentage of (19+20+21) to 7	
11	12	13	14	15	16	17	18	19	20	21	22	
44,94	8,37	77,77	8.19	10,84	344,34	36.25	9,16	80,65	36,51	515,56	66.60	1
47,36	10,56	82,14	8.62	11,40	342,37	35.95	13,57	83,11	37,88	510,26	66.28	2
48,22	11,01	84,38	8.78	11,34	342,34	35.63	15,90	82,15	37,85	506,08	65.16	3
46,13	8,94	80,70	8.39	10,42	340,73	35.43	16,13	81,45	38,14	503,96	64.83	4
46,50	9,31	80,61	8.38	10,16	344,57	35.81	17,11	81,98	39,22	502,86	64.86	5
46,28	9,48	80,47	8.42	10,18	344,97	36.08	15,16	82,79	38,16	506,83	65.66	6
45,99	9,22	80,85	8.44	10,83	344,45	35.97	13,41	81,15	37,85	507,45	65.43	7
48,65	11,54	83,04	8.62	10,23	344,38	35.74	15,94	80,52	38,92	502,87	64.59	8
47,52	10,14	82,87	8.55	10,44	344,43	35.54	16,17	81,06	38,62	500,05	63.94	9
49,31	11,95	84,34	8.70	10,56	344,49	35.53	16,54	79,76	39,68	500,48	63.93	10
48,66	11,19	83,28	8.57	10,56	344,88	35.48	17,83	76,86	39,80	501,07	63.55	11
47,97	10,39	82,05	8.44	10,74	345,94	35.59	19,97	74,05	40,28	498,53	63.06	12
52,40	14,35	86,68	8.82	11,42	346,57	35.25	20,44	70,41	41,01	498,40	62.03	13
47,28	9,28	82,97	8.40	11,78	350,46	35.49	15,57	69,42	39,45	508,88	62.56	14
45,72	8,01	79,93	8.16	10,59	358,94	36.63	17,81	70,16	40,32	505,96	62.90	15
49,76	11,60	83,57	8.45	10,93	367,18	37.12	20,54	70,66	40,86	499,45	61.76	16
52,32	14,02	85,66	8.61	11,35	368,43	37.04	21,31	69,71	41,69	493,06	60.77	17
52,29	14,08	84,25	8.44	10,30	368,77	37.13	22,32	68,79	42,39	489,69	60.50	18
48,05	9,70	82,45	8.27	10,31	369,91	37.09	22,36	72,29	41,11	488,82	60.38	19
50,30	11,75	84,84	8.48	11,05	371,43	37.12	21,19	69,60	40,88	488,04	59.82	20
48,16	9,94	82,69	8.30	10,45	376,02	37.74	15,83	68,65	41,08	510,45	62.24	21
50,23	11,64	83,44	8.31	10,35	378,38	37.66	18,19	67,38	42,26	496,57	60.34	22
56,72	18,44	89,89	8.98	10,80	379,34	37.92	15,95	67,72	41,48	505,00	61.39	23
48,27	10,03	81,87	8.18	10,40	380,98	38.06	16,99	67,14	42,34	500,43	60.93	24
49,28	11,07	82,34	8.23	10,12	382,22	38.20	14,82	59,79	45,42	500,33	60.52	25
55,33	16,59	89,17	8.84	10,77	381,75	37.86	19,75	58,63	44,82	495,31	59.37	26
60,88	21,98	93,25	9.22	10,61	384,42	38.03	23,14	57,98	45,64	489,32	58.65	27
66,90	27,98	99,91	9.85	9,94	385,84	38.03	23,41	58,80	45,16	485,38	58.09	28
60,56	21,62	93,13	9.17	10,51	390,39	38.43	22,01	59,81	44,39	484,45	57.94	29
55,16	15,92	88,62	8.68	10,60	392,72	38.48	23,41	60,28	47,69	482,55	57.86	30
56,00	16,70	93,02	9.11	11,11	392,28	38.42	23,95	60,94	45,30	486,28	58.03	31
59,11	19,92	94,26	9.27	10,76	391,69	38.50	25,51	62,99	46,39	484,74	58.40	32
53,32	14,69	86,03	8.52	10,76	394,86	39.13	19,70	58,44	45,44	497,20	59.56	33
54,50	15,40	92,11	9.07	10,46	394,22	38.80	21,02	57,29	45,64	495,50	58.90	34
61,14	21,69	96,34	9.42	10,81	395,48	38.67	21,99	56,72	47,19	490,19	58.09	35
64,27	24,90	98,38	9.64	10,99	395,23	38.73	23,19	57,12	46,80	497,69	58.96	36
57,29	18,07	91,73	9.00	10,33	394,30	38.67	20,63	58,49	46,70	498,70	59.23	37
54,24	15,16	88,36	8.67	10,11	392,75	38.55	16,57	59,37	46,09	508,74	60.29	38
55,67	16,95	89,55	8.83	10,56	387,88	38.25	11,68	61,83	47,00	514,00	61.42	39
60,88	21,50	100,21	9.75	14.90	383,00	37.25	9,26	69,85	48,40	517,37	61.82	40
50,16	11,12	88,20	8.65	11,49	382,91	37.55	8,51	76,85	48,63	528,93	64.17	41
51,92	12,02	87,67	8.47	11,61	382,16	36.91	9,15	82,44	47,28	533,90	64.09	42
62,99	22,08	99,15	9.40	11,08	381,63	36.18	9,83	84,94	48,94	534,34	63.34	43
61,74	21,18	99,10	9.46	10,91	381,80	36.46	9,33	86,43	47,24	542,05	64.53	44
63,18	23,14	97,84	9.43	11,12	380,45	36.66	8,98	88,83	48,41	546,41	65.88	45
52,32	12,66	87,32	8.46	10,64	378,94	36.73	7,39	91,27	44,98	549,93	66.50	46
49,89	10,05	86,17	8.30	10,47	377,45	36.35	7,12	93,32	44,20	553,61	66.56	47
53,29	13,39	88,06	8.46	10,65	375,28	36.04	5,51	96,99	45,02	555,04	66.94	48
54,48	14,95	89,25	8.64	10,28	373,51	36.17	6,88	101,58	45,84	564,51	68.94	49
48,10	9,15	81,99	8.02	10,07	364,74	35.69	4,33	98,35	44,86	577,99	70.56	50
46,99	7,94	82,23	8.05	9,61	363,74	35.61	4,92	98,80	45,19	591,05	71.97	51
46,24	6,89	80,67	7.85	10,20	361,95	35.20	4,16	101,61	46,05	603,05	73.01	52
48,90	8,81	84,73	8.12	10,81	359,90	34.50	6,31	102,02	46,77	612,45	72.96	53

At book value ; including Treasury bills and Treasury Deposit Receipts.

STATE

CONSOLIDATED POSITION OF SCHEDULED

Average of Friday figures	No. of Reporting Banks at the end of period	Demand Liabilities	*Percentage of (2) to (6)*	Time Liabilities	Savings Deposits*	Total Demand and Time Liabilities	Inter-bank Borrowings** Demand	Inter-bank Borrowings** Time	Inter-bank Borrowings** Total	Net Liabilities	Borrowings from Reserve Bank
	1	2	3	4	5	6	7	8	9	10	11
1 1950-51 ..	93	599,13	*68.3*	278,45	137,85	**877,59**	20,75	1,01	**21,76**	**855,83**	4,46
2 1951-52 ..	94	593,73	*67.1*	290,82	135,66	**884,55**	23,20	61	**23,81**	**860,74**	13,82
3 1952-53 ..	91	546,23	*63.8*	309,26	138,05	**855,49**	13,04	3,43	**16,46**	**839,03**	11,20
4 1953-54 ..	89	526,75	*61.6*	328,26	142,14	**855,00**	11,13	2,08	**13,22**	**841,78**	10,46
5 1954-55 ..	88	559,62	*61.4*	351,86	151,57	**911,48**	9,88	2,18	**12,06**	**899,42**	14,94
6 1955-56 ..	89	608,64	*59.9*	407,95	169,40	**1,016,59**	9,20	3,86	**13,06**	**1,003,54**	24,51
7 April 1954..	88	541,15	*62.31*	327,36	143,59	**868,51**	7,89	1,27	**9,16**	**859,35**	30,26
8 May „ ..	88	537,40	*62.03*	328,96	143,55	**866,35**	7,96	1,52	**9,48**	**856,87**	47,44
9 June „ ..	88	542,77	*62.04*	332,12	144,80	**874,89**	9,52	1,61	**11,13**	**863,76**	27,91
10 July „ ..	88	548,64	*61.73*	340,15	145,97	**888,79**	9,85	1,59	**11,44**	**877,35**	8,10
11 August „ ..	88	552,99	*61.30*	349,12	146,58	**902,12**	11,75	1,70	**13,45**	**888,67**	3,79
12 September „ ..	88	557,99	*61.36*	351,46	146,94	**909,44**	11,35	1,99	**13,34**	**896,10**	5,16
13 October „ ..	88	557,48	*61.14*	354,40	146,76	**911,88**	10,48	2,78	**13,26**	**898,62**	5,92
14 November „ ..	88	569,56	*61.03*	363,69	146,68	**933,25**	11,87	2,98	**14,85**	**918,40**	1,42
15 December „ ..	88	571,96	*60.98*	365,98	148,04	**937,94**	10,41	3,50	**13,91**	**924,03**	5 03
16 January 1955..	88	576,82	*61.03*	368,37	148,35	**945,19**	10,23	2,94	**13,17**	**932,02**	7,43
17 February „ ..	88	585,40	*61.24*	370,52	149,74	**955,93**	9,99	2,46	**12,45**	**943,48**	10,41
18 March „ ..	88	578,09	*60.65*	375,14	151,57	**953,23**	7,55	1,80	**9,35**	**943,89**	29,06
19 April „ ..	88	587,66	*60.70*	380,41	154,70	**968,07**	8,86	1,77	**10,63**	**957,44**	27,51
20 May „ ..	88	585,80	*60.25*	386,44	155,52	**972,24**	8,46	2,21	**10,67**	**961,57**	31,81
21 June „ ..	88	594,77	*60.16*	393,87	156,99	**988,64**	11,10	3,35	**14,45**	**974,19**	19,27
22 July „ ..	89	600,23	*59.82*	403,20	159,62	**1,003,42**	10,64	3,88	**14,52**	**988,90**	22,40
23 August „ ..	89	604,85	*59.65*	409,11	160,95	**1,013,96**	10,42	3,83	**14,24**	**999,72**	13,66
24 September „ ..	89	604,04	*35.59*	413,66	162,63	**1,017,71**	10,01	3,38	**13,39**	**1,004,32**	15,19
25 October „ ..	89	612,85	*59.17*	422,95	163,34	**1,035,80**	12,22	5,60	**17,81**	**1,017,99**	6,44
26 November „ ..	89	612,36	*59.10*	423,79	163,27	**1,036,15**	13,55	6,26	**19,80**	**1,016,34**	9,63
27 December „ ..	89	614,74	*59.35*	421,04	165,06	**1,035,78**	9,50	6,09	**15,59**	**1,020,19**	17,10
28 January 1956..	89	637,40	*60.76*	411,72	164,68	**1,049,12**	6,18	3,63	**9,81**	**1,039,32**	28,80
29 February „ ..	89	631,09	*60.32*	415,21	166,48	**1,046,30**	5,68	3,33	**9,01**	**1,037,29**	38,43
30 March „ ..	89	621,65	*59.93*	415,50	169,40	**1,037,15**	4,46	3,20	**7,65**	**1,029,50**	59,15

* Annual figures for savings deposits are as on the last Friday of March and monthly figures as on the last Friday of the month. For the purpose of Section 42 of the Reserve Bank of India Act, savings deposits are classified under demand and time liabilities according to the rules of the various scheduled banks in respect of withdrawal of these deposits.

** Excluding borrowings from the Reserve Bank of India and, with effect from April 18, 1952 also those from the State Bank of India (Imperial Bank of India before July 1, 1955).

MENT 27

BANKS (ANNUAL AND MONTHLY)

(Lakhs of Rupees)

Borrowings from State Bank‡	Cash	Balances with Reserve Bank	Excess of (14) over the Statutory Minimum	**Total Cash and Balances with Reserve Bank**	*Percentage of (16) to (10)*	Balances with other Banks in Current Account	Investments in Government Securities@	*Percentage of (19) to (10)*	Money at Call and Short Notice @@	Bills Purchased and Discounted: Inland @@	Bills Purchased and Discounted: Foreign†	Advances @@	(22+23+24) as *percentage* of (10)	
12	13	14	15	16	17	18	19	20	21	22	23	24	25	
..	34,68	60,78	25,25	**95,46**	*11.15*	..	..	..	..	11,87	..	447,03	*53.62*	1
..	37,33	57,29	21,79	**94,62**	*10.99*	11,91*	303,48*	*35.26*	11,40*	22,81	..	523,59	*63.48*	2
5,38§	33,33	51,82	18,32	**85,15**	*10.15*	11,57	306,34	*36.51*	17,26	38,47	..	461,64	*59.61*	3
8,27	31,97	44,84	11,94	**76,81**	*9.12*	11,02	321,29	*38.17*	15,07	51,40	..	442,79	*53.21*	4
6,67	32,66	53,91	18,89	**86,56**	*9.62*	10,51	339,74	*37.77*	15,82	58,19	26,47$	468,39	*61.15*	5
7,67	34,64	52,52	13,93	**87,16**	*8.69*	10,75	370,71	*36.94*	15,62	74,70	43,38	514,37	*63.02*	6
12,55	32,33	43,11	9,51	**75,44**	*8.78*	10,97	316,89	*36.88*	11,00	75,08	..	478,09	*64.37*	7
11,35	32,98	41,42	7,97	**74,40**	*8.68*	10,98	323,74	*37.78*	11,25	75,04	20,81††	484,19	*67.69*	8
6,81	32,98	41,75	7,97	**74,73**	*8.65*	10,81	326,96	*37.85*	14,67	66,90	20,44	472,37	*64.80*	9
4,47	30,87	45,18	10,95	**76,05**	*8.67*	10,34	329,55	*37.56*	16,95	61,22	22,30	460,16	*61.97*	10
3,78	30,45	54,43	19,79	**84,87**	*9.55*	10,46	338,25	*38.06*	17,08	56,82	23,74	444,15	*59.04*	11
6,69	32,17	60,58	25,65	**92,75**	*10.35*	9,79	345,66	*38.57*	15,53	53,19	24,46	447,83	*58.64*	12
6,48	33,81	63,89	28,93	**97,70**	*10.87*	9,84	348,09	*38.74*	15,66	49,97	27,20	448,99	*58.55*	13
4,07	33,08	71,03	35,28	**104,11**	*11.34*	10,46	350,87	*38.20*	19,06	47,87	28,52	446,11	*56.89*	14
4,25	34,61	68,45	32,53	**103,06**	*11.22*	11,67	349,10	*37.78*	18,91	43,79	27,96	463,35	*57.91*	15
3,90	32,98	60,27	24,06	**93,26**	*10.01*	10,58	351,27	*37.69*	18,16	47,41	30,89	476,80	*59.56*	16
6,52	32,42	49,62	12,94	**82,03**	*8.70*	10,01	354,08	*37.53*	18,33	51,13	31,81	494,71	*61.23*	17
8,94	32,97	45,91	9,50	**78,87**	*8.36*	10,05	346,23	*36.68*	13,39	70,52	32,12	509,72	*64.88*	18
6,53	34,49	46,63	9,64	**81,12**	*8.47*	10,83	342,87	*35.81*	14,38	81,87	37,92	507,74	*65.54*	19
5,48	34,70	47,11	10,09	**81,81**	*8.51*	10,42	344,56	*35.83*	15,17	81,38	38,39	504,30	*64.90*	20
3,46	34,51	49,58	11,97	**84,09**	*8.63*	10,82	345,47	*35.46*	18,70	75,27	40,19	499,62	*63.14*	21
3,24	33,81	49,47	11,40	**83,28**	*8.42*	10,99	362,76	*36.68*	19,51	69,75	40,94	499,41	*61.69*	22
5,78	34,17	49,18	10,76	**83,36**	*8.34*	10,54	373,94	*37.40*	19,39	69,48	41,33	495,97	*60.69*	23
7,22	33,21	54,10	15,62	**87,31**	*8.69*	10,54	381,74	*38.01*	18,13	62,25	43,94	498,08	*60.17*	24
4,31	34,01	59,66	20,55	**93,67**	*9.20*	10,54	390,31	*38.34*	23,20	59,96	45,63	484,67	*57.98*	25
6,42	35,17	57,02	17,92	**92,19**	*9.07*	10,70	394,06	*38.77*	22,06	58,86	46,17	491,91	*58.73*	26
7,27	35,18	58,47	19,31	**93,65**	*9.18*	11,38	390,63	*38.29*	16,27	61,33	47,00	507,30	*60.34*	27
11,16	36,82	56,70	16,60	**93,53**	*9.00*	11,27	382,12	*36.77*	9,20	82,67	48,02	534,80	*64.03*	28
12,94	35,18	54,67	14,81	**89,85**	*8.66*	10,72	378,03	*36.44*	7,25	92,60	45,65	551,25	*66.47*	29
17,43	34,83	48,94	9,55	**83,78**	*8.14*	10,19	364,77	*35.43*	5,32	1,00,48	45,74	589,81	*71.49*	30

‡ Figures prior to July 1, 1955 relate to the Imperial Bank of India. § Average of 50 weeks.

@ At book value; including Treasury bills and Treasury Deposit Receipts.

@@ Advances exclude 'Money at Call and Short Notice' and 'Inland Bills Purchased' from November 1951, the latter being included under Column 22 as from that month.

† Called for from May 14, 1954. * Average of weeks from November 1951. $ Average of 46 weeks.

†† Average of last three weeks.

STATEMENT 28

ADVANCES OF THE RESERVE BANK OF INDIA TO SCHEDULED BANKS AND STATE CO-OPERATIVE BANKS

(Lakhs of Rupees)

Outstanding as on Last Friday of	Scheduled Banks			State Co-operative Banks
	Against usance bills and/or pro-missory notes	Other advances	Total	
1951-52	27,82	26,31	**54,13**	7,83
1952-53	5,24	13,63	**18,87**	6,94
1953-54	17,50	13,50	**31,00**	8,66
1954-55	28,25	8,82	**37,07**	9,74
1955-56	27,43	37,65	**65,08**	13,20
Outstanding as at the close of				
April 1, 1955	27,17	10,73	**37,90**	9,26
" 8, "	16,85	4,48	**21,33**	8,64
" 15, "	23,28	1,63	**24,91**	7,94
" 22, "	24,76	1,73	**26,49**	7,69
" 29, "	24,84	2,08	**26,92**	7,51
May 6, "	29,94	2,35	**32,29**	7,14
" 13, "	33,43	2,37	**35,80**	7,67
" 20, "	30,05	1,91	**31,96**	7,42
" 27, "	25,57	1,61	**27,18**	7,55
June 3, "	19,14	1,48	**20,62**	7,70
" 10, "	19,57	83	**20,10**	8,15
" 17, "	18,39	46	**18,85**	8,64
" 24, "	16,71	51	**17,22**	8,43
July 1, "	22,42	5,26	**27,68**	8,61
" 8, "	29,05	2,77	**31,82**	8,95
" 15, "	24,14	1,19	**25,33**	9,21
" 22, "	14,55	60	**15,15**	9,34
" 29, "	11,58	46	**12,04**	9,52
August 5, "	8,45	54	**8,99**	9,66
12, "	6,75	74	**7,49**	10,34
" 19, "	11,64	10,02	**21,66**	10,81
" 26, "	12,14	4,34	**16,48**	11,29
September 2, "	13,66	6,96	**20,62**	12,11
" 9, "	12,32	4,01	**16,33**	12,15
" 16, "	12,62	4,75	**17,37**	12,41
" 13, "	8,68	3,79	**12,47**	12,50
" 30, "	7,80	1,38	**9,18**	12,60
October 7, "	6,60	1,46	**8,06**	12,72
" 14, "	6,00	74	**6,74**	12,83
" 21, "	4,15	1,24	**5,39**	12,66
" 28, "	4,16	1,39	**5,55**	12,60
November 4, "	4,80	2,06	**6,86**	12,83
" 11, "	8,53	3,81	**12,34**	13,22
" 18, "	7,80	3,50	**11,30**	13,20
" 25, "	6,45	1,58	**8,03**	13,25
December 2, "	6,70	3,92	**10,62**	13,33
" 9, "	7,05	4,85	**11,90**	13,11
" 16, "	7,15	8,11	**15,26**	12,99
" 23, "	10,66	7,06	**17,72**	12,96
" 30, "	18,86	11,16	**30,02**	13,04
January 6, 1956	14,62	15,22	**29,84**	13,13
" 13, "	14,38	14,07	**28,45**	13,32
" 20, "	15,25	12,29	**27,54**	13,37
" 27, "	17,70	11,67	**29,37**	13,38
February 3, "	18,88	15,91	**34,79**	13,15
" 10, "	19,41	20,05	**39,46**	13,24
" 17, "	18,72	19,93	**38,65**	13,22
" 24, "	21,65	19,17	**40,82**	13,69
March 2, "	25,32	23,15	**48,47**	13,27
" 9, "	23,46	30,24	**53,70**	13,04
" 16, "	24,62	36,97	**61,59**	13,18
" 23, "	32,46	34,47	**66,93**	13,25
" 30, "	27,43	37,65	**65,08**	13,20

STATEMENT 29

SEASONAL TRENDS IN SELECTED ITEMS OF SCHEDULED BANKS' LIABILITIES AND ASSETS

(Lakhs of Rupees)

Period	Demand Liabilities†	Time Liabilities†	Total of 1 and 2	Net Liabilities††	Cash	Balances with Reserve Bank	Total of 5 and 6	*Cash ratio* at the end of the period*	Advances @	Bills Discounted‡	Total of 9 and 10	*Advances ratio§ at the end of the period*
	1	2	3	4	5	6	7	8	9	10	11	12
Apr. 22, 1950 to Nov. 24, 1950	*— 70*	*+ 5,30*	*+4,60*	*+15,69*	*— 7*	*+33,63*	*+33,56*	*13.53*	*—80,48*	*— 1,06*	*— 81,54*	*47.06*
Nov. 25, 1950 to May 11, 1951	+ 5,33	+15,51	+20,84	+11,19	+ 81	—31,33	—30,52	*9.87*	+181,03	— 1,02	+180,01	*67.04*
May 12, 1951 to Oct. 26, 1951.	*—11,50*	*— 5,44*	*—16,94*	*—13,32*	*+ 1,19*	*+24,26*	*+25,46*	*12.98*	*— 82,41*	*— 2,06*	*— 84,47*	*58.27*
Oct. 27, 1951 to Mar. 7, 1952..	—29,87	+ 72	—29,16	—35,85	— 4,19	—29,52	—33,72	*9.46*	+ 47,27	+37,59	+ 84,86	*71.08*
Mar. 8, 1952 to Nov. 21, 1952	*—23,60*	*+29,25*	*+ 5,66*	*+16,48*	*— 40*	*+11,00*	*+10,61*	*10.53*	*—114,78*	*—21,10*	*—135,88*	*53.55*
Nov. 22, 1952 to May, 8, 1953.	—19,11	+ 4,11	—15,00	— 9,61	— 80	—17,38	—18,18	*8.47*	+ 53,37	+35,58	+ 88,95	*64.86*
May 9, 1953 to Nov. 20, 1953	*+ 3,71*	*+11,96*	*+15,67*	*+14,36*	*+ 61*	*+21,40*	*+22,02*	*10.93*	*— 67,76*	*—23,60*	*— 91,36*	*52.96*
Nov. 21, 1953 to May 7, 1954..	+ 74	— 4,21	— 3,47	+ 1,91	— 43	—20,12	—20,55	*8.48*	+ 81,32	+37,67	+118,99	*66.87*
May 8, 1954 to Oct. 15, 1954	*+30,79*	*+26,71*	*+57,50*	*+53,34*	*+ 1,51*	*+24,75*	*+26,25*	*10.89*	*— 45,60*	*—22,13*	*— 67,73*	*57.68*
Oct. 16, 1954 to Apr. 1, 1955	+21,77	+20,93	+42,70	+48,33	— 1,02	—19,58	—20,60	*8.19*	+ 69,88	+42,75	+112,63	*66.60*
Apr. 2, 1955 to Oct. 14, 1955	*+29,03*	*+45,83*	*+74,86*	*+65,96*	*— 27*	*+15,62*	*+15,36*	*9.17*	*— 31,11*	*—12,96*	*— 44,07*	*57.94*
Oct. 15, 1955 to May 11, 1956	+22,18	+ 9,66	+31,84	+37,81	+ 3,46	—11,98	— 8,53	*8.03*	+132,70	+47,61	+180,31	*72.97*
Outstanding as on May 11,1956	**632,13**	**431,87**	**1,064,00**	**1,053,78**	**36,02**	**48,58**	**84,60**		**617,15**	**151,81**	**768,96**	

Note.—The duration of the slack and busy seasons is with reference to movements in scheduled bank credit only and not to variations in money supply. Slack season periods have been indicated in italics.

† Excluding borrowings from the Reserve Bank of India and with effect from April 18, 1952, also those from the State Bank of India (the Imperial Bank of India upto July 1, 1955). †† Excluding inter-bank borrowings. * Percentage of Cash and Balances with the Reserve Bank of India to Net Liabilities. @ Advances exclude 'Inland Bills Purchased' from November 1951, which are included under 'Bills Discounted' as from that month. From March 8, 1952 variations are exclusive of money at call and short notice. ‡ Includes Inland Bills Purchased from November 1951 and Foreign Bills Purchased and Discounted from May 14, 1954. § Percentage of Advances and Bills Purchased and Discounted to Net Liabilities.

STATEMENT 30

INDICES OF THE CONSOLIDATED POSITION OF SCHEDULED BANKS

(*Base* : 1948-49 = 100)

Average of Friday Figures	Demand Liabilities*	Time Liabilities*	Total Demand and Time Liabilities*	Net Liabilities†	Cash	Balances with Reserve Bank	Excess of 6 over the Statutory Minimum	Total Cash and Balances with Reserve Bank	*Percentage of 8 to 4*	Advances and Bills Purchased and Discounted @	*Percentage of 10 to 4*
	1	2	3	4	5	6	7	8	9	10	11
1950-51	88.8	91.6	89.7	90.0	92.5	79.3	68.6	83.6	*92.9*	104.0	*115.6*
1951-52	88.0	95.7	90.4	90.5	99.5	74.8	59.2	82.9	*91.6*	125.3	*138.5*
1952-53	81.0	101.8	87.4	88.2	88.9	67.6	49.8	74.6	*84.6*	116.6	*132.2*
1953-54	78.1	108.0	87.4	88.5	85.2	58.5	32.4	67.3	*76.0*	115.3	*130.3*
1954-55	83.0	115.8	93.2	94.5	87.1	70.4	51.3	75.8	*80.2*	128.3	*135.8*
1955-56	90.2	134.2	103.9	105.5	92.3	68.5	37.8	76.4	*72.4*	147.5	*139.8*
April 1955 ..	87.1	125.2	98.9	100.6	91.9	60.9	26.2	71.1	*70.6*	146.4	*145.5*
May " ..	86.8	127.2	99.4	101.1	92.5	61.5	27.4	71.7	*70.9*	145.6	*144.0*
June " ..	88.2	129.6	101.0	102.4	92.0	64.7	32.5	73.7	*71.9*	143.5	*140.1*
July " ..	89.0	132.7	102.6	103.9	90.1	64.6	31.0	73.0	*70.2*	142.3	*137.0*
August " ..	89.7	134.6	103.6	105.1	91.1	64.2	29.2	73.0	*69.5*	141.5	*134.6*
September " ..	89.5	136.1	104.0	105.6	88.5	70.6	42.4	76.5	*72.4*	140.9	*133.4*
October " ..	90.9	139.2	105.9	107.0	90.7	77.9	55.8	82.1	*76.7*	137.7	*128.7*
November " ..	90.8	139.5	105.9	106.8	93.8	74.4	48.7	80.8	*75.6*	139.2	*130.3*
December " ..	91.1	138.6	105.9	107.2	93.8	76.3	52.4	82.0	*76.5*	143.6	*134.0*
January 1956 ..	94.5	135.5	107.2	109.2	98.2	74.0	45.1	81.9	*75.0*	155.2	*142.1*
February " ..	93.6	136.6	106.9	109.0	93.8	71.3	40.2	78.7	*72.2*	160.8	*147.5*
March " ..	92.2	136.7	106.0	108.2	92.9	63.9	25.9	73.4	*67.8*	171.7	*158.7*

* Excluding borrowings from the Reserve Bank and with effect from April 18, 1952 also those from the State Bank of India (the Imperial Bank of India prior to July 1, 1955). † Excluding Inter-Bank borrowings.

@ Excluding money at call and short notice; includes foreign bills purchased and discounted from May 14, 1954.

STATEMENT 31

MONEY RATES IN INDIA

(Per cent per annum)

	Bank Rate (b)	Treasury Bill Rate (Average)	State Bank of India(a)* Call Loan Rate (c) Rs. 5 lakhs and over Highest	Rs. 5 lakhs and over Lowest	Below Rs. 5 lakhs Highest	Below Rs. 5 lakhs Lowest	Hundi Rate(d) Highest	Hundi Rate(d) Lowest	Advances Rate(e) Highest	Advances Rate(e) Lowest
1950-51 ..	3		3 Mar.	2¾ Apr.-Mar.	3¼ Mar.	3 Apr.-Mar.	4 Jan.-Mar.	3½ Apr.-Jan.	3½	
1951-52 ..	3½ (3 upto Nov. 14)		3½ Dec.-Mar.	2¾ Apr. and July-Nov.(f)	3¾ Dec.-Mar.	3 Apr. and July-Nov.(f)	4½ Nov.-Mar.	4 Apr.-Nov.	4 Nov.-Mar.	3½ Apr.-Nov.
1952-53 ..	3½	2.22	3½		3¾		4½		4	
1953-54 ..	3½	2.45	3½		3¾		4½		4	
1954-55 ..	3½	2.53	3½		3¾		4½		4	
1955-56 ..	3½	2.52	3½		3¾		5 Mar.	4½ Apr.-Mar.	4	
April 1955 ..	3½	2.57	3½		3¾		4½		4	
May ,, ..	3½	2.57	3½		3¾		4½		4	
June ,, ..	3½	2.54	3½		3¾		4½		4	
July ,, ..	3½	2.51	3½		3¾		4½		4	
Aug. ,, ..	3½	2.51	3½		3¾		4½		4	
Sept. ,, ..	3½	2.52	3½		3¾		4½		4	
Oct. ,, ..	3½	2.48	3½		3¾		4½		4	
Nov. ,, ..	3½	2.48	3½		3¾		4½		4	
Dec. ,, ..	3½	2.50	3½		3¾		4½		4	
Jan. 1956 ..	3½	2.52	3½		3¾		4½		4	
Feb. ,, ..	3½	2.52	3½		3¾		4½		4	
Mar. ,, ..	3½	2.53	3½		3¾		5	4½	4	

(a) The rates relate to Bombay, Calcutta and Madras.

(b) The standard rate at which the Reserve Bank of India is prepared to buy or rediscount bills of exchange or other commercial paper eligible for purchase under the Reserve Bank of India Act.

(c) The basic advances rate of the State Bank for demand loans taken by scheduled banks against Government securities.

(d) The rate at which the State Bank discounts first class three months commercial bills.

(e) The general advances rate at which the State Bank grants advances to the public against Government securities.

(f) April and July to December in Bombay.

* Figures prior to July 1955 relate to the Imperial Bank of India.

STATEMENT 32

MONEY RATES IN BOMBAY, CALCUTTA AND MADRAS

(Per cent per annum)

		Call Money Rate(a)							
		Bombay				Calcutta		Madras	
		Larger Banks(b)		Smaller Banks					
		Highest	Lowest	Highest	Lowest	Highest	Lowest	Highest	Lowest
1950-51	..	1¼ Jan.-Mar.	½ June-Jan.	1¼ Feb.-Mar.	1 June-Dec.	½		¾—1½	
1951-52	..	3 Feb. & Mar.	½ Sept.-Nov.	3¼ Mar.	1½ Apr.-May & Sept.-Nov.	2½ Mar.	½ Apr.-Jan.	3¼ Mar.	¾ Apr.-Dec.
1952-53	..	3 Apr., May & Dec.-Mar.	½ Nov.	3¼ Jan.	1½ July, Aug., Oct. & Nov.	3 Apr., June	1½ Nov.-Dec.	3¼ Apr.-June	1½ Nov.
1953-54	..	3 Apr., Dec.-Mar.	¾ Oct., Nov.	3 Apr.-July, Nov., Dec.-March	1¾ Oct.	2¾ Apr.-Aug, Jan. & March	1¼ Oct. & Nov.	3 Apr.-Oct., Nov., Feb. & March	1¾ Dec.
1954-55	..	3 Apr.-June & Dec.-March	¾ Nov.-Dec.	3¼ Mar.	1¾ July-Sept.	3¼ Mar.	1¼ Dec.	3 Apr.-July & March	1¼ Dec.
1955-56	..	3⅜ March	1¼ Oct. & Nov.	3⅜ March	1½ Oct. & Nov.	4¼ March	2¼ August	3¼ Dec. & Jan.-Mar.	2¼ Jul.-Aug.
April	1955 ..	3	2½	3¼	3	3	2¾	3	2½
May	„ ..	3	2¾	3	2¾	3		2¾	2½
June	„ ..	3	2	3	2	3		2¾	2½
July	„ ..	3	1½	3	2	3	2½	2¾	2¼
August	„ ..	3	1¾	3	2	3	2¼	3	2¼
September	„ ..	3	2	3½	2½	3		3	
October	„ ..	2½	1¼	2¾	1½	3	2¾	3	
November	„ ..	3	1¼	3	1½	3½	3	3	2¾
December	„ ..	3	2¼	3		3½	3¼	3¼	3
January	1956 ..	3	2¾	3		3½	3¼	3¼	
February	„ ..	3½	2¾	3½	2¾	3¼		3¼	
March	„ ..	3⅜	3	3⅜	3	4¼	3¼	3¼	

(a) Rate at which banks advance their day-to-day surplus funds to other banks. These loans are repayable on call at the option of the lender.

(b) Including exchange banks.

STATEMENT 32—(*Contd.*)

(Per cent per annum)

		Deposit Rates					
		3 Months					
		Bombay		Calcutta		Madras	
		Highest	Lowest	Highest	Lowest	Highest	Lowest
1950-51	..	2¼ Jan.- Mar.	1 June-Nov.	¾ July-Mar.	½ Apr.-June.	¾	
1951-52	..	3¼ March	1¾ Apr. & May	2¼ Dec.-Mar.	½ Apr.-Nov.	2¼ Feb.-Mar.	¾ Apr.-Dec.
1952-53	..	3¼ Apr. & May	1¾ Aug.	2¼		2¼ Feb.-Mar.	2¼ Apr.-Feb.
1953-54	..	3 Apr., Jan.-March.	2 July, Aug.-Sept.	2¼		2½	
1954-55	..	3¼ March.	2¼ Aug.-Sept.	2¼ Apr.-Aug.	2 Aug.-Mar.	2½	
1955-56	..	3½ March.	2½ August.	2½ March.	2 Apr.-Mar.	2½	
April	1955 ..	3¼	2¾	2		2½	
May	„ ..	3½	3	2		2½	
June	„ ..	3		2		2½	
July	„ ..	3	2¾	2		2½	
August	„ ..	3	2½	2		2½	
September	„ ..	3	2¾	2		2½	
October	„ ..	3	2¾	2		2½	
November	„ ..	3	2¾	2		2½	
December	„ ..	3		2		2½	
January	1956 ..	3½	3	2		2½	
February	„ ..	3¼	3	2		2½	
March	„ ..	3½	3½	2½	2	2½	

STATEMENT 32—(*Contd.*)

(Per cent per annum)

		Deposit Rates—*Contd.*					
		6 Months					
		Bombay		Calcutta		Madras	
		Highest	Lowest	Highest	Lowest	Highest	Lowest
1950-51	..	2¼ Jan.-Mar.	1¼ July-Nov.	1 July-Mar.	¾ Apr.-June		¾
1951-52	..	3¼ Mar.	2 Apr.-Nov.	1½ Dec.-Mar.	¾ Apr.-Dec.	2 Dec.-Mar.	¾ Apr.-Dec.
1952-53	..	3¼ April	2 June	1½		2½ Feb.-Mar.	2 Apr.-Feb.
1953-54	..	3½ March	2 July	1½		2½	
1954-55	..	3¼ Dec., Mar.	2½ July, Sept.	2 Sept.-Mar.	1½ Apr.-Aug.	2½	
1955-56	..	3½ March	2¼ Aug.	2½ March	2 Apr.-Mar.	2½	
April	1955 ..	3¼	2¾	2		2½	
May	„ ..	3½	2¾	2		2½	
June	„ ..	3	2¾	2		2½	
July	„ ..	3	2¾	2		2½	
August	„ ..	3	2¾	2		2½	
September	„ ..	3½	3	2		2½	
October	„ ..	3		2		2½	
November	„ ..	3		2		2½	
December	„ ..	3		2		2½	
January	1956 ..	3½	3	2		2½	
February	„ ..	3¼	3	2		2½	
March	„ ..	3½	3½	2½	2	2½	

STATEMENT 32—(*Contd.*)

(Per cent per annum)

		Deposit Rates—*Contd.* 12 Months		Bazar Bill Rate(*c*)			
		Bombay		Bombay		Calcutta	
		Highest	Lowest	Highest	Lowest	Highest	Lowest
1950-51	..	2 Apr.-May, Feb. & Mar.	1½ June-Jan.	9 Jan.-Mar.	8¼ Apr.-Jan.	10-12	
1951-52	..	2½ Nov. & Dec.	1¾ Apr.-Nov.	9		10-12	
1952-53	..	2¾ Apr., May & Nov-Mar.	2 Apr.-Sept. Nov. & Dec.	9¾ July- Jan.	9 Apr.-July Feb. & Mar.	10-12	
1953-54	..	2¾ Jan.-Mar.	1¾ Sept. & Oct.	9¾ Dec.-Mar.	8⅝ Aug.-Sept.	10-12	
1954-55	..	3 March	2¼ May-Dec.	9¾		10-12	
1955-56	..	3¼ March	2¼ June-Sept. & November	10⅛ March	9¾ Apr.-Mar.	10-12	
April	1955 ..	2¾	2½	9¾		10-12	
May	„ ..	2¾	2½	9¾		10-12	
June	„ ..	2¾	2¼	9¾		10-12	
July	„ ..	2½	2¼	9¾		10-12	
August	„ ..	2¾	2¼	9¾		10-12	
September	„ ..	2¾	2¼	9¾		10-12	
October	„ ..	2¾	2½	9¾		10-12	
November	„ ..	2¾	2¼	9¾		10-12	
December	„ ..	2¾	2½	9¾		10-12	
January	1956 ..	2¾	2½	9¾		10-12	
February	„ ..	3	2½	9¾		10-12	
March	„ ..	3¼	2¾	10⅛	9¾	10-12	

(*c*) Rate at which bills of small traders are reported to have been discounted by Shroffs. These are unofficial quotations.

STATEMENT 33

CHEQUE CLEARANCES (ANNUAL AND MONTHLY)

(*Number in Thousands*)
(Rupees in Lakhs)

	Total		AHMEDABAD		BANGALORE		BOMBAY		CALCUTTA		DELHI		KANPUR		MADRAS		OTHER CENTRES*	
	Number	Amount	*Number*	Amount	*Number*	Amount	*Number*	Amount	*Number*	Amount	*Number*	Amount	*Number*	Amount	*Number*	Amount	*Number*	Amount
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
1950-51	..*2,178*	**553,18**	*79*	18,79	*58*	5,91	*809*	239,79	*541*	198,86	*103*	12,48	*53*	11,35	*264*	36,01	*270*	29,98
1951-52	..*2,340*	**656,55**	*85*	26,29	*62*	7,16	*881*	253,26	*580*	271,21	*114*	13,85	*51*	12,15	*276*	39,57	*291*	33,06
1952-53	..*2,474*	**547,53**	*104*	22,11	*63*	6,51	*907*	217,83	*592*	207,99	*129*	13,25	*62*	11,53	*298*	34,75	*320*	33,56
1953-54	..*2,669*	**559,53**	*117*	21,12	*69*	7,97	*987*	222,42	*612*	214,10	*160*	15,26	*69*	12,18	*304*	32,44	*350*	34,03
1954-55	..*2,885*	**604,12**	*127*	23,32	*73*	8,28	*1,050*	234,30	*649*	237,84	*182*	17,32	*72*	11,94	*336*	30,66	*396*	40,45
1955-56	..*3,100*	**663,01**	*144*	27,32	*78*	8,82	*1,123*	255,94	*688*	251,17	*194*	21,29	*76*	12,44	*350*	35,55	*447*	50,49
April 1955	..*3,086*	**644,54**	*152*	28,13	*78*	8,17	*1,133*	248,15	*677*	245,67	*190*	19,79	*80*	13,80	*348*	34,38	*428*	46,45
May „	..*3,064*	**628,56**	*145*	29,04	*74*	7,70	*1,101*	250,92	*680*	230,93	*210*	19,91	*81*	12,73	*349*	31,90	*424*	45,43
June „	..*2,872*	**598,07**	*126*	22,88	*72*	7,11	*1,050*	231,84	*629*	230,78	*186*	18,71	*68*	9,91	*334*	32,89	*407*	43,95
July „	..*3,037*	**625,79**	*140*	25,08	*74*	8,97	*1,086*	233,67	*677*	248,88	*190*	18,72	*78*	11,22	*351*	33,27	*440*	45,98
August „	..*2,945*	**640,27**	*128*	24,07	*77*	8,68	*1,042*	247,12	*671*	246,62	*177*	18,43	*71*	10,32	*349*	37,84	*431*	47,17
September „	..*3,076*	**680,81**	*119*	24,20	*77*	8,10	*1,087*	257,20	*748*	280,48	*178*	18,12	*69*	10,56	*351*	34,30	*446*	47,85
October „	..*2,889*	**616,33**	*137*	24,64	*73*	8,03	*1,097*	228,88	*635*	248,71	*158*	17,46	*64*	10,92	*319*	31,84	*405*	45,85
November „	..*3,116*	**673,96**	*140*	25,28	*80*	8,73	*1,149*	251,14	*655*	262,98	*200*	23,28	*75*	14,55	*354*	36,32	*464*	51,68
December „	..*3,267*	**723,52**	*160*	31,44	*81*	9,23	*1,244*	282,14	*652*	269,38	*219*	24,66	*83*	13,97	*351*	36,44	*478*	56,26
January 1956	..*3,210*	**607,67**	*157*	29,82	*81*	9,92	*1,087*	250,09	*747*	181,90	*216*	24,30	*84*	14,15	*358*	36,86	*479*	60,63
February „	..*3,302*	**751,88**	*163*	31,77	*83*	10,70	*1,199*	298,99	*743*	277,52	*201*	26,70	*77*	13,84	*366*	38,77	*471*	53,59
March „	..*3,335*	**764,87**	*160*	31,53	*88*	10,53	*1,202*	291,10	*736*	290,21	*209*	25,44	*78*	13,27	*377*	41,77	*486*	61,04

Note.—Annual figures are averages of monthly figures.

*Agra, Allahabad, Alleppey, Amritsar, Bareilly (from April 1951), Cochin (from March 1954), Coimbatore, Dehra Dun, Gaya, Gorakhpur (from July 1955), Hyderabad (Dn.), Jaipur (from April 1952), Jullundur City, Kozhikode, Lucknow, Mangalore, Mathurai, Muzaffarpur (from November 1950), Nagpur, New Delhi, Patna, Poona, Rajkot, Simla and Vijayawada (from May 1955).

STATEMENT 34

REMITTANCE STATISTICS

(A) REMITTANCES THROUGH THE RESERVE BANK OF INDIA

Telegraphic Transfers Issued and Paid

(Crores of Rupees)

Year/Half-year	TOTAL		BANGALORE†		BOMBAY		CALCUTTA		DELHI		KANPUR		MADRAS	
	Issued	Paid	Issued	*Paid*	Issued	*Paid*	Issued	*Paid*	Issued	*Paid*	Issued	*Paid*	Issued	*Paid*
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
1950-51	791.6	1,018.6	—	—	229.1	*346.4*	325.3	*368.9*	105.4	*84.4*	53.3	*64.5*	78.5	*154.4*
1951-52	1,016.1	1,035.8	—	—	189.4	*482.9*	517.9	*260.6*	121.2	*82.7*	91.4	*49.7*	96.1	*159.8*
1952-53	903.0	884.8	—	—	194.8	*377.0*	450.4	*235.1*	120.3	*89.7*	63.1	*43.5*	74.4	*139.5*
1953-54	921.2	890.0	14.4*	*8.2**	201.9	*361.9*	444.3	*235.7*	121.5	*95.1*	64.4	*52.1*	74.7	*137.1*
1954-55	971.8	965.3	23.9	*9.1*	206.6	*400.7*	472.6	*259.3*	134.6	*108.3*	63.3	*64.8*	70.7	*123.1*
1955-56	1,079.8	1,075.7	25.1	*10.7*	192.0	*462.7*	585.5	*240.4*	150.8	*149.0*	43.6	*67.2*	82.9	*145.8*
April 1954 to Sept. 1954.	472.2	473.3	12.4	*4.9*	96.3	*202.6*	210.7	*141.6*	75.2	*50.5*	43.6	*21.8*	34.1	*52.0*
October 1954 to March 1955	499.6	492.0	11.5	*4.3*	110.4	*198.1*	261.9	*117.7*	59.5	*57.7*	19.8	*43.1*	36.6	*71.2*
April 1955 to Sept. 1955.	498.5	504.5	11.6	*3.7*	94.9	*232.2*	257.7	*130.4*	75.7	*60.1*	18.6	*15.6*	40.1	*62.5*
October 1955 to March 1956	581.4	571.2	13.5	*7.0*	97.1	*230.4*	327.8	*110.0*	75.1	*89.0*	25.0	*51.6*	42.9	*83.3*

Note .—Telegraphic Transfers Issued comprise all transfers of funds by telegram made by the respective office of the Reserve Bank to its other offices, agencies and the treasury agencies. *Telegraphic Transfers Paid* comprise all encashments of telegraphic transfers drawn on the respective office of the Reserve Bank by its other offices, agencies and the treasury agencies. The agencies consist of the *State Bank of India* (the *Imperial Bank of India* prior to July 1, 1955), the *Hyderabad State Bank* (from April 1, 1953) and the *Bank of Mysore* (from November 1, 1953).

† Opened in July 1953. * Nine months ended March 1954.

STATEMENT 34 (*Contd.*)

(B) REMITTANCES* BETWEEN THE OFFICES OF THE STATE BANK OF INDIA† (Crores of Rupees)

	Total Remittances	To Bengal Circle From				To Bombay Circle From				To Madras Circle From			
		Total	Bengal Circle (Intra-State)	Bombay Circle	Madras Circle	Total	Bengal Circle	Bombay Circle (Intra-State)	Madras Circle	Total	Bengal Circle	Bombay Circle	Madras Circle (Intra-State)
	1	2	3	4	5	6	7	8	9	10	11	12	13
1950-51 ..	1,217.4	477.6	346.2	94.9	36.5	446.5	122.1	268.4	56.0	239.3	31.2	35.4	226.8
1951-52 ..	1,473.1	557.9	372.8	146.8	38.4	570.6	144.4	350.7	75.5	344.6	41.2	41.7	261.7
1952-53 ..	1,304.0	501.6	356.0	114.5	31.1	510.9	141.9	309.5	59.6	291.5	30.7	36.1	224.7
1953-54 ..	1,344.8	561.4	409.6	124.1	27.8	523.7	160.6	311.4	51.7	259.6	33.5	37.3	188.8
1954-55 ..	1,423.8	604.0	450.6	116.9	36.5	551.2	154.5	339.1	57.6	268.6	36.9	42.2	189.5
1955-56 ..	1,675.9	719.1	548.3	133.2	37.7	645.3	217.4	168.6	59.2	311.5	50.6	50.3	210.6

Note.—Figures relate to the Indian Union. * Telegraphic Transfers paid, Mail Transfers received, Drafts paid and Demand Drafts purchased.
† Figures prior to July 1, 1955 relate to the Imperial Bank of India.

(C) REMITTANCES EFFECTED BETWEEN RESERVE BANK OFFICES, AGENCIES AND TREASURY AGENCIES (ANNUAL)

(*Number in thousands*)
(Rupees in Crores)

On behalf of	1950-51		1951-52		1952-53		1953-54		1954-55	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
The General Public	**6,38**	**272.3**	**6.97**	**312.1**	**7,24**	**278.9**	**7,78**	**271.3**	**8,84**	**292.9**
Scheduled Banks :										
At Par	29	690.7	32	820.4	34	745.1	31	753.5	29	792.5
At a premium	54	164.5	65	179.0	67	224.2	73	249.1	75	269.8
Approved Non-Scheduled Banks and Indigenous Bankers	**8**	**14.9**	**11**	**10.6**	**11**	**13.1**	**11**	**21.1**	**11**	**20.4**
Co-operative Banks and Societies :										
At Par	1	17.2	1	45.6	1	14.7	1	11.3	1	15.5
At a premium	30	37.7	40	55.9	42	43.4	47	45.1	50	49.4
Local Funds at a premium	**7**	**1.2**	**8**	**2.7**	**8**	**1.0**	**7**	**1.3**	**6**	**0.7**
Other Remittances at Par	**2,44**	**157.8**	**2,68**	**198.4**	**2,98**	**168.7**	**3,35**	**174.2**	**3,54**	**208.2**
Governments :										
Intra-State at Par	3,47	114.1	3,60	135.7	3,87	115.0	4,22	133.1	5,11	106.3
Extra-State at a premium ..	51	16.4	53	16.5	59	24.1	77	26.7	96	24.5
Total ..	**14,09**	**1,486.7**	**15,36**	**1,776.9**	**16,31**	**1,628.2**	**17,81**	**1,686.7**	**20,16**	**1,780.1**

STATEMENT 34 (*Contd.*)

(D) REMITTANCES EFFECTED BETWEEN RESERVE BANK OFFICES, AGENCIES AND TREASURY AGENCIES (HALF-YEARLY)

(Rupees in Lakhs)

On behalf of	Half year ended September 30, 1954				Half year ended March 31, 1955				Half year ended September 30, 1955			
	Telegraphic Transfers		Drafts and Mail Transfers		Telegraphic Transfers		Drafts and Mail Transfers		Telegraphic Transfers		Drafts and Mail Transfers	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount
The General Public ..	23,117	56,35	4,15,326	86,32	24,512	64,62	4,20,836	85,57	25,111	52,91	4,33,288	91,57
Scheduled Banks:												
At par	14,383	387,05	952	11,95	12,241	383,42	999	10,09	14,255	423,65	905	9,94
At a premium ..	10,809	94,18	25,922	25,66	12,431	128,11	25,374	21,82	11,413	106,39	24,979	23,82
Approved Non-Scheduled Banks and Indigeneous Bankers	477	4,86	5,002	4,38	697	7,26	4,982	3,91	703	3.61	5,730	4,61
Co-operative Banks and Societies:												
At par	296	5,90	277	2,29	257	4,78	343	2,48	300	7,76	341	3,05
At a premium ..	1,405	6,29	23,008	17,50	1,699	8,30	24,210	17,31	1,905	8,15	25,239	19,08
Local Funds at a Premium	8	*	2,637	34	33	*	2,901	34	18	*	2,257	32
Other Remittances at par	3,475	36,28	1,70,361	80,12	3,021	31,85	1,76,858	59,94	3,644	48,23	1,77,997	56,95
Governments:												
Intra-State at par ..	1,390	4,05	2,09,268	42,63	910	3,05	2,99,867	56,60	665	1,34	2,58,520	120,88
Extra-State at a premium	328	79	34,477	8,57	434	97	60,899	14,12	403	51	37,604	11,27
Total	55,688	595,75	8,87,230	279,76	56,235	632,37	10,17,269	272,18	58,417	652,55	9,66,860	341,50

STATEMENT 35

ENCASHMENT OF FOREIGN CIRCLE NOTES,@ 1955-56

(Lakhs of Rupees)

Circle of Issue	Cashed at					
	Bombay	Calcutta	Delhi	Kanpur	Madras	Total
Bombay		5,58†	7,53	7,30	10,27	30,68
Calcutta	9,16		7,95	14,63	3,72	35,46
Delhi	5,76	1,43		3,54	90	11,63
Kanpur	2,67	1,28	3,43		57	7,95
Madras	6,59	1,12	1,63	1,38		10,72
Karachi	54	1	2	1	—	57
Lahore	4,74	3	14	3	1	4,94
Rangoon	*	—	*	*	*	*
Total ..	29,46	9,44	20,69	26,89	15,47	101.96

@ Relates to registered notes of the denominations of Rs. 100 and above. † Includes Rs. 2,32 lakhs of defaced Bombay circle notes received from Issue Department, Delhi, for punching, verifying and listing in Hollerith Machine. * Less than Rs. 50,000.

STATE

LIABILITIES AND ASSETS (WEEKLY) OF

(Issue and Banking

1955-56 As at the close of			LIABILITIES								
			Capital and Reserves	Notes in Circulation*	Deposits					Other Liabilities**	Total Liabilities or Assets
					Central Government	Other Governments	Banks	Others	Total		
1955			1	2	3	4	5	6	7	8	9
1 April	1	..	10,00	1,291,59	65,02	61,59	46,27	21,84	**194,72**	44,31	**1,540,62**
2 ,,	8	..	10,00	1,322,77	57,81	30,16	44,95	21,52	**154,44**	40,43	**1,527,64**
3 ,,	15	..	10,00	1,325,33	55,39	24,32	50,49	21,40	**151,59**	48,70	**1,535,63**
4 ,,	22	..	10,00	1,316,14	53,11	30,42	48,31	22,70	**154,54**	58,91	**1,539,59**
5 ,,	29	..	10,00	1,310,77	51,02	35,00	48,66	22,80	**157,47**	63,67	**1,541,91**
6 May	6	..	10,00	1,329,26	50,09	23,21	47,24	22,08	**142,63**	44,55	**1,526,44**
7 ,,	13	..	10,00	1,331,09	51,93	19,24	47,97	22,34	**141,48**	45,36	**1,527,94**
8 ,,	20	..	10,00	1,322.41	55,23	14,99	50,87	22,11	**143,20**	58,13	**1,533,75**
9 ,,	27	..	10,00	1,316,09	54,63	14,17	49,46	21,77	**140,04**	65,48	**1,531,61**
10 June	3	..	10,00	1,324,95	52,21	14,75	46,72	21,88	**135,56**	56,09	**1,526,60**
11 ,,	10	..	10,00	1,331,28	55,35	11,58	48,95	21,68	**137,57**	50,51	**1,529,36**
12 ,,	17	..	10,00	1,321,23	57,15	11,79	49.88	22,15	**140,98**	64,33	**1,536,53**
13 ,,	24	..	10,00	1,310,79	57,83	11,21	54,52	21,84	**145,40**	76,18	**1,542,38**
14 July	1	..	10,00	1,312,72	58,96	12,34	46,14	35,70	**153,14**	58,62	**1,534,47**
15 ,,	8	..	10,00	1,321,64	84,07	17,67	46,87	14,90	**163,51**	47,91	**1,543,05**
16 ,,	15	..	10.00	1,310,85	81,74	20,05	52,27	14,81	**168,86**	60,30	**1,550,01**
17 ,,	22	..	10,00	1,297,99	79,62	18,90	53,34	14,67	**166,53**	65,91	**1,540,43**
18 ,,	29	..	10,00	1,291,47	80,24	20,19	54,46	15,06	**169,95**	74,61	**1,546,03**
19 August	5	..	10,00	1,305,80	76,71	10,88	48,51	15,74	**151,84**	60,68	**1,528,31**
20 ,,	12	..	10,00	1,307,13	75,02	9,44	53,74	15,66	**153,85**	58,63	**1,529,62**
21 ,,	19	..	10,00	1,297,98	90,95	25,89	51,80	33,43	**202,08**	55,16	**1,565,22**
22 ,,	26	..	10,00	1,285,09	104,65	36.42	51.36	16,27	**208,71**	54,02	**1,557,81**
23 September	2	..	10,00	1,292,99	64,38	40,16	54,99	18,88	**178,41**	40,63	**1,522,03**
24 ,,	9	..	10,00	1,301,65	58,47	13,93	48,39	16,37	**137,16**	32,68	**1,481,49**
25 ,,	16	..	10,00	1,293,35	61,96	13,43	52,89	16,57	**144,85**	45,54	**1,493,74**
26 ,,	23	..	10,00	1,285,69	58,94	12,24	58,53	16,34	**146,05**	49,46	**1,491,20**
27 ,,	30	..	10,00	1,280,22	58,04	11,64	62,77	16,37	**148,83**	55,47	**1,494,52**
28 October	7	..	10,00	1,301,45	51,15	9,59	67,25	16,36	**144,35**	33,71	**1,489,51**
29 ,,	14	..	10,00	1,302,41	51,76	29,08	61,94	15,86	**158,63**	34,12	**1,505,16**
30 ,,	21	..	10,00	1,303,26	48,34	25,48	57,59	15,88	**147,29**	35,90	**1,496,45**
31 ,,	28	..	10,00	1,305,86	49,33	30,23	57,71	15,79	**153,07**	43,83	**1,512,75**
32 November	4	..	10,00	1,317,54	54,69	18,84	59,05	15,46	**148,04**	40,53	**1,516,12**
33 ,,	11	..	10,00	1,332,24	56,83	14,25	53,58	15,27	**139,94**	42,15	**1,524,33**
34 ,,	18	..	10,00	1,334,68	53,07	13,72	57,55	15,61	**139,94**	41,50	**1,526,12**
35 ,,	25	..	10,00	1,323,76	55,13	12,43	63,90	15,48	**146,94**	51,71	**1,532,41**
36 December	2	..	10,00	1,335,72	51,36	10,16	62,37	15,48	**139,37**	46,12	**1,531,21**
37 ,,	9	..	10,00	1,350,87	54,18	5,99	57,93	15,67	**133,78**	41,78	**1,536,43**
38 ,,	16	..	10,00	1,350,05	60,14	7,46	55,99	16,80	**140,39**	43,49	**1,543,92**
39 ,,	23	..	10,00	1,351,58	50,95	7,95	55,24	16,08	**130,22**	44,88	**1,536,68**
40 ,,	30	..	10,00	1,361,98	54,01	10,62	57,87	15,81	**138,31**	48,17	**1,558,46**
1956											
41 January	6	..	10,00	1,385,71	54,11	9,73	51,79	15,62	**131,24**	49,69	**1,576,64**
42 ,,	13	..	10,00	1,388,75	52,11	8,46	55,06	15,83	**131,47**	54,14	**1,584,37**
43 ,,	20	..	10,00	1,382,71	50,30	13,38	67,51	21,41	**152,60**	64,18	**1,609,49**
44 ,,	27	..	10,00	1,379,07	54,02	18,47	65,24	17,10	**154,83**	63,79	**1,607,69**
45 February	3	..	10,00	1,392,37	52,88	14,40	63,23	15,80	**146,31**	60,74	**1,609,42**
46 ,,	10	..	10,00	1,407,65	60,55	11,00	53,01	15,93	**140,49**	60,68	**1,618,82**
47 ,	17	..	10,00	1,406,83	64,55	13,06	54,12	15,70	**147,43**	55,75	**1,620,01**
48 ,,	24	..	10,00	1,402,85	66,51	16,12	55,16	15,98	**153,77**	57,75	**1,624,36**
49 March	2	..	10.00	1,418,66	59,56	18,03	49,35	16,81	**143,75**	56,72	**1,629,12**
50 ,,	9	..	10,00	1,444,09	54,31	10,55	47,41	16,88	**129,15**	56,64	**1,639,88**
51 ,,	16	..	10,00	1,448,86	55,64	46,95	46,54	17,04	**166,18**	64,90	**1,689,94**
52 ,,	23	..	10,00	1,453,78	52,69	48,52	49,72	17,25	**168,18**	61,10	**1,693,05**
53 ,,	30	..	10,00	1,466,64	67,34	62,03	53,24	16,68	**199,30**	61,23	**1,737,18**

* Including Rs. 43 crores of India notes retired from circulation in Pakistan and awaiting cancellation.
**Including Rs. 10 crores credited to the National Agricultural Credit (Long-Term Operations) Fund from February 3, 1956.

MENT 36

THE RESERVE BANK OF INDIA, 1955-56

Departments Combined) (Lakhs of Rupees)

ASSETS

Gold Coin and Bullion@	Foreign Assets†	Rupee coin††	Notes	Rupee Securities	Loans and Advances to Governments	Other Loans and Advances	Bills Purchased and Discounted	Other Assets	
10	11	12	13	14	15	16	17	18	
40,02	724,75	102,27	11,25	581,54	—	48,14	10,63	22,04	1
40,02	725,93	105,61	8,42	580,99	1,19	30,95	12,33	22,21	2
40,02	725,33	105,51	15,74	579,87	31	33,94	12,55	22,36	3
40,02	720,20	106,00	25,45	577,38	17	35,15	12,71	22,51	4
40,02	715,16	106,39	31,22	575,32	89	35,45	12,00	25,46	5
40,02	715,74	104,19	10,54	575,20	80	40,49	12,02	27,44	6
40,02	714,05	104,05	8,52	575,19	80	44,52	11,70	29,09	7
40,02	715,56	104,31	17,46	574,99	80	40,47	10,89	29,26	8
40,02	710,43	104,57	24,03	575,50	80	35,78	11,23	29,24	9
40,02	712,07	103,65	14,30	584,39	80	29,40	12,24	29,73	10
40,02	718,15	103,91	8,23	584,16	1,36	29,63	14,09	29,81	11
40,02	716,64	104,73	19,05	582,68	1,05	28,61	14,03	29,73	12
40,02	715,97	105,56	30,30	581,54	80	26,80	10,75	30,65	13
40,02	713,90	105,70	28,58	590,20	91	37,20	11,96	6,01	14
40,02	715,36	105,19	19,15	604,89	86	41,69	9,96	5,94	15
40,02	716,40	106,22	30,93	604,86	80	35,45	9,40	5,93	16
40,02	716,66	107,75	30,32	604,89	83	25,40	8,58	5,98	17
40,02	717,07	108,64	37,72	605,12	1,00	22,47	7,75	6,25	18
40,02	719,28	107,73	22,53	605,31	85	19,58	7,69	5,31	19
40,02	718,98	107,88	21,34	605,71	3,57	18,75	8,11	5,26	20
40,02	722,34	108,79	31,39	606,07	2,44	33,38	11,51	9,27	21
40,02	717,54	110,23	30,73	606,33	80	28,75	12,29	11,13	22
40,02	719,92	109,70	22,33	572,11	25	33,75	12,55	11,40	23
40,02	721,04	109,43	13,42	542,69	37	29,50	13,49	11,53	24
40,02	720,05	110,44	22,69	543,16	65	30,81	14,35	11,58	25
40,02	721,45	111,47	26,41	538,56	1,82	26,01	13,73	11,75	26
40,02	719,47	112,19	32,61	538,80	2,02	23,11	14,28	12,01	27
40,02	716,41	110,66	9,89	563,90	2,67	22,10	11,90	11,98	28
40,02	718,70	111,04	9,25	583,89	35	20,94	8,91	12,06	29
40,02	712,51	111,32	8,73	583,97	—	19,45	8,23	12,22	30
40,02	712,37	111,26	16,01	593,94	2	19,57	7,15	12,42	31
40,02	709,03	109,95	12,98	603,81	1,04	21,12	5,77	12,41	32
40,02	713,35	109,23	12,54	598,69	2,84	26,98	8,37	12,32	33
40,02	717,93	109,03	9,90	598,58	3,11	25,89	9,56	12,11	34
40,02	719,69	109,85	21,64	598,66	1,89	22,67	5,76	12,22	35
40,02	718,31	109,15	13,99	604,01	2,00	25,39	5,85	12,51	36
40,02	716,62	108,29	7,87	614,05	3,79	26,45	6,83	12,52	37
40,02	728,17	108,56	8,99	604,12	5,11	29,68	6,62	12,66	38
40,02	736,25	108,85	7,75	584,13	5,29	32,19	9,16	13,03	39
40,02	735,18	108,57	12,04	589,21	3,66	44,63	12,07	13,09	40
40,02	735,31	106,95	11,60	609,06	4,11	44,68	11,83	13,09	41
40,02	735,87	106,43	13,00	615,11	3,58	43,48	13,70	13,18	42
40,02	739,62	106,53	19,11	639,60	1,82	42,59	6,89	13,31	43
40,02	734,11	106,75	22,97	639,53	1,79	44,33	4,92	13,27	44
40,02	733,57	105,49	8,46	653,64	2,52	49,62	2,57	13,54	45
40,02	738,22	104,69	7,31	652,98	3,69	54,36	3,98	13,56	46
40,02	738,28	104,75	8,20	652,62	3,84	53,51	3,55	15,24	47
40,02	734,82	105,19	12,59	652,52	3,60	56,15	4,23	15,26	48
40,02	736,09	104,07	10,73	650,65	2,89	63,29	4,08	17,32	49
40,02	737,78	102,70	8,87	650,85	4,37	68,25	10,02	17,04	50
40,02	743,04	103,08	14,42	685,55	34	76,26	10,11	17,12	51
40,02	747,83	103,43	9,84	681,45	20	81,67	11,19	17,42	52
40,02	746,13	103,31	11,77	726,01	—	79,94	12,23	17,77	53

@ Valued at the statutory rate of Rs. 21-3-10 per tola.
† Including cash and short-term securities.
†† Including one rupee notes and subsidiary coin.

STATE

LIABILITIES AND ASSETS OF THE

(Issue and Banking

	As at the close of last Friday	LIABILITIES							
		Capital and Reserves	Notes in Circulation*	Deposits					Other Liabilities††
				Central Government	Other Governments	Banks	Others	Total	
		1	2	3	4	5	6	7	8
1	1950-51	10,00	1,247,41	162,04	26,40	59,28	72,31	**320,03**	34,82
2	1951-52	10,00	1,141,11	180,16	25,06	46,99	65,90	**318,11**	61,72
3	1952-53	10,00	1,133,12	135,78	19,85	46,52	62,81	**264,96**	47,73
4	1953-54	10,00	1,185,92	65,77	62,59	42,41	43,76	**214,52**	42,31
5	1954-55	10,00	1,277,09	59,45	60,27	47,72	21,53	**188,97**	45,78
6	1955-56	10,00	1,466,64	67,34	62,03	53,24	16,68	**199,30**	61,23
7	April 1954 ..	10,00	1,217,19	86,77	28,31	40,05	45,06	**200,20**	46,96
8	May ,, ..	10,00	1,202,92	101,08	20,55	43,79	46,16	**211,59**	71,48
9	June ,, ..	10,00	1,174,49	116,47	20,31	45,05	41,91	**223,74**	65,99
10	July ,, ..	10,00	1,142,74	129,89	20,86	49,70	36,56	**237,02**	71,07
11	August ,, ..	10,00	1,137,35	138,09	17,11	64,65	33,86	**253,71**	54,02
12	September ,, ..	10,00	1,147,14	141,20	14,49	62,59	34,01	**252,30**	45,36
13	October ,, ..	10,00	1,161,94	103,46	22,51	66,30	34,29	**226,55**	42,59
14	November ,, ..	10,00	1,161,89	78,62	17,79	79,09	34,27	**209,77**	45,42
15	December ,, ..	10,00	1,200,49	54,89	16,74	69,13	34,39	**175,15**	46,82
16	January 1955 ..	10,00	1,217,72	54,03	20,77	58,14	34,06	**166,99**	40,07
17	February ,, ..	10,00	1,241,99	51,87	22,68	48,36	34,32	**157,23**	40,56
18	March ,, ..	10,00	1,277,09	59,45	60,27	47,72	21,53	**188,97**	45,78
19	April ,, ..	10,00	1,310 77	51,02	35,00	48,66	22,80	**157,47**	63,67
20	May ,, ..	10,00	1,316,09	54,63	14,17	49,46	21,77	**140,04**	65,48
21	June ,, ..	10,00	1,310,79	57,83	11,21	54,52	21,84	**145,40**	76,18
22	July ,, ..	10,00	1,291,47	80,24	20,19	54,46	15,06	**169,95**	74,61
23	August ,, ..	10,00	1,285,09	104,65	36,42	51,36	16,27	**208,71**	54,02
24	September ,, ..	10,00	1,280,22	58,04	11,64	62,77	16,37	**148,83**	55,47
25	October ,, ..	10,00	1,305,86	49,33	30,23	57,71	15,79	**153,07**	43,83
26	November ,, ..	10,00	1,323,76	55,13	12,43	63,90	15,48	**146,94**	51,71
27	December ,, ..	10,00	1,361,98	54,01	10,62	57,87	15,81	**138,31**	48,17
28	January 1956 ..	10,00	1,379,07	54,02	18,47	65,24	17,10	**154,83**	63,79
29	February ,, ..	10,00	1,402,85	66,51	16,12	55,16	15,98	**153,77**	57,75
30	March ,, ..	10,00	1,466,64	67,34	62,03	53,24	16,68	**199,30**	61,23

Note.--Figures from October 1951 are net of adjustments made in respect of India notes returned from circulation in Aden.

* Including Rs. 43 crores of India notes retired from circulation in Pakistan and awaiting cancellation.

†† Including Rs. 10 crores credited to the National Agricultural Credit (Long-Term Operations) Fund from February 3, 1956.

MENT 37

RESERVE BANK OF INDIA (ANNUAL AND MONTHLY)

Departments Combined) (Lakhs of Rupees)

Total Liabilities or Assets	ASSETS									
	Gold Coin and Bullion**	Foreign Assets@	Rupee Coin†	Notes	Rupee Securities	Loans and Advances to Governments	Other Loans and Advances	Bills Purchased and Discounted	Other Assets	
9	10	11	12	13	14	15	16	17	18	
1,612,27	40,02	884,18	54,51	11,72	585,83	1,56	16,75	8,21	9,50	1
1,530,94	40,02	723,07	69,29	35,82	566,73	94	61,37	3,72	29,99	2
1,455,80	40,02	723,68	82,32	17,03	545,98	3,30	26,95	8,80	7,72	3
1,452,76	40,02	752,97	93,97	17,23	487,50	51	41,10	10,74	8,72	4
1,521,84	40,02	730,00	102,50	15,92	553,32	45	47,87	10,37	21,39	5
1,737,18	40,02	746,13	103,31	11,77	726,01	—	79,94	12,23	17,77	6
1,474,34	40,02	752,20	98,38	20,40	488,03	75	53,94	11,22	9,41	7
1,495,99	40,02	751,15	97,17	43,28	496,87	87	48,02	8,96	9,64	8
1,474,22	40,02	743,55	98,52	38,17	506,38	1,07	29,56	6,73	10,23	9
1,460,82	40,02	732,22	103,04	44,40	516,05	—	15,60	1,43	8,07	10
1,455,08	40,02	728,57	105,17	41,94	512,95	1,47	15,41	3,45	6,10	11
1,454,79	40,02	730,54	106,72	30,20	513,23	92	18,63	8,05	6,49	12
1,441,08	40,02	725,39	106,69	25,33	512,81	69	18,71	3,50	7,94	13
1,427,08	40,02	721,05	107,37	26,03	505,56	94	13,20	4,45	8,46	14
1,432,45	40,02	730,79	105,92	26,01	493,09	1,67	21,29	4,01	9,65	15
1,434,78	40,02	729,61	104,80	17,60	507,69	79	19,96	2,55	11,76	16
1,449,78	40,02	728,65	103,93	12,57	514,73	91	24,19	4,48	20,29	17
1,521,84	40,02	730,00	102,50	15,92	553,32	45	47,87	10,37	21,39	18
1,541,91	40,02	715,16	106,39	31,22	575,32	89	35,45	12,00	25,46	19
1,531,61	40,02	710,43	104,57	24,03	575,50	80	35,78	11,23	29,24	20
1,542,38	40,02	715,97	105,56	30,30	581,54	80	26,80	10,75	30,65	21
1,546,03	40,02	717,07	108,64	37,72	605,12	1,00	22,47	7,75	6,25	22
1,557,81	40,02	717,54	110,23	30,73	606,33	80	28,75	12,29	11,13	23
1,494,52	40,02	719,47	112,19	32,61	538,80	2,02	23,11	14,28	12,01	24
1,512,75	40,02	712,37	111,26	16,01	593,94	2	19,57	7,15	12,42	25
1,532,41	40,02	719,69	109,85	21,64	598,66	1,89	22,67	5,76	12,22	26
1,558,46	40,02	735,18	108,57	12,04	589,21	3,66	44,63	12,07	13,09	27
1,607,69	40,02	734,11	106,75	22,97	639,53	1,79	44,33	4,92	13,27	28
1,624,36	40,02	734,82	105,19	12,59	652,52	3,60	56,15	4,23	15,26	29
1,737,18	40,02	746,13	103,31	11,77	726,01	—	79,94	12,23	17,77	30

** Valued at the statutory rate of Rs. 21-3-10 per tola.

@ Including cash and short-term securities.

† Including subsidiary coin and one rupee notes.

STATEMENT 38

RESERVE BANK OF INDIA : ISSUE DEPARTMENT

WEEKLY STATEMENT OF ASSETS AND LIABILITIES, 1955-56

(Lakhs of Rupees)

1955-56	LIABILITIES			ASSETS				
As at the close of	Notes in Circulation†	Notes held in the Banking Department	Total Liabilities (Total Notes Issued†) or Assets	Gold Coin and Bullion	Foreign Securities	Rupee Coin	Rupee Securities	4+5 as percentage of 3
1955	1	2	3	4	5	6	7	8
April 1	1,291,59	11,25	**1,302,84**	40,02	626,98	102,09	533,75	*51.20*
„ 8	1,322,77	8,42	**1,331,19**	40,02	651,98	105,44	533,75	*51.98*
„ 15	1,325,33	15,74	**1,341,07**	40,02	661,98	105,33	533,75	*52.35*
„ 22	1,316,14	25,45	**1,341,59**	40,02	661,98	105,84	533,75	*52.33*
„ 29	1,310,77	31,22	**1,341,99**	40,02	661,98	106,24	533,75	*52.31*
May 6	1,329,26	10,54	**1,339,80**	40,02	661,98	104,09	533,71	*52.40*
„ 13	1,331,09	8,52	**1,339,61**	40,02	661,98	103,90	533,71	*52.40*
„ 20	1,322,41	17,46	**1,339,87**	40,02	661,98	104,16	533,71	*52.39*
„ 27	1,316,09	24,03	**1,340,12**	40,02	661,98	104,42	533,71	*52.38*
June 3	1,324,95	14,30	**1,339,25**	40,02	652,04	103,55	543,65	*51.67*
„ 10	1,331,28	8,23	**1,339,50**	40,02	652,04	103,80	543,65	*51.67*
„ 17	1,321,23	19,05	**1,340,28**	40,02	652,04	104,58	543,64	*51.64*
„ 24	1,310,79	30,30	**1,341,09**	40,02	652,04	105,39	543,64	*51.60*
July 1	1,312,72	28,58	**1,341,30**	40,02	652,04	105,60	543,65	*51.60*
„ 8	1,321,64	19,15	**1,340,79**	40,02	652,04	105,08	543,65	*51.62*
„ 15	1,310,85	30,93	**1,341,78**	40,02	652,04	106,07	543,65	*51.58*
„ 22	1,297,99	30,32	**1,328,31**	40,02	637,04	107,60	543,65	*50.97*
„ 29	1,291,47	37,72	**1,329,20**	40,02	637,04	108,49	543,65	*50.94*
August 5	1,305,80	22,53	**1,328,33**	40,02	637,04	107,63	543,65	*50.97*
„ 12	1,307,13	21,34	**1,328,48**	40,02	637,04	107,73	543,69	*50.96*
„ 19	1,297,98	31,39	**1,329,37**	40,02	637,04	108,63	543,69	*50.93*
„ 26	1,285,09	30,73	**1,315,82**	40,02	622,04	110,07	543,69	*50.32*
September 2	1,292,99	22,33	**1,315,32**	40,02	656,82	109,58	508,91	*52.98*
„ 9	1,301,65	13,42	**1,315,07**	40,02	671,82	109,32	493,91	*54.13*
„ 16	1,293,35	22,69	**1,316,04**	40,02	671,82	110,30	493,92	*54.09*
„ 23	1,285,69	26,41	**1,312,11**	40,02	671,82	111,32	488,95	*54.25*
„ 30	1,280,22	32,61	**1,312,83**	40,02	671,82	112,05	488,95	*54.22*
October 7	1,301,45	9,89	**1,311,34**	40,02	646,97	110,56	513,79	*52.39*
„ 14	1,302,41	9,25	**1,311,66**	40,02	627,10	110,88	533,67	*50.86*
„ 21	1,303,26	8,73	**1,311,99**	40,02	627,10	111,21	533,67	*50.85*
„ 28	1,305,86	16,01	**1,321,87**	40,02	627,10	111,15	543,60	*50.47*
November 4	1,317,54	12,98	**1,330,52**	40,02	627,10	109,86	553,54	*50.14*
„ 11	1,332,24	12,54	**1,344,78**	40,02	647,07	109,09	548,61	*51.09*
„ 18	1,334,68	9,90	**1,344,57**	40,02	647,07	108,88	548,61	*51.10*
„ 25	1,323,76	21,64	**1,345,40**	40,02	647,07	109,70	548,61	*51.07*
December 2	1,335,72	13,99	**1,349,71**	40,02	647,07	109,04	553,58	*50.91*
„ 9	1,350,87	7,87	**1,358,74**	40,02	647,07	108,14	563,52	*50.57*
„ 16	1,350,05	8,99	**1,359,04**	40,02	657,00	108,44	553,58	*51.29*
„ 23	1,351,58	7,75	**1,359,33**	40,02	676,88	108,73	533,70	*52.74*
„ 30	1,361,98	12,04	**1,374,01**	40,02	686,88	108,44	538,67	*52.90*
1956								
January 6	1,385,71	11,60	**1,397,30**	40,02	691,91	106,83	558,55	*52.38*
„ 13	1,388,75	13,00	**1,401,75**	40,02	691,91	106,31	563,52	*52.22*
„ 20	1,382,71	19,11	**1,401,83**	40,02	667,07	106,39	588,36	*50.44*
„ 27	1,379,07	22,97	**1,402,04**	40,02	667,07	106,60	588,36	*50.43*
February 3	1,392,37	8,46	**1,400,82**	40,02	652,16	105,38	603,27	*49.41*
„ 10	1,407,65	7,31	**1,414,96**	40,02	667,16	104,56	603,23	*49.98*
„ 17	1,406,83	8,20	**1,415,02**	40,02	667,16	104,62	603,23	*49.98*
„ 24	1,402,85	12,59	**1,415,45**	40,02	667,16	105,04	603,23	*49.96*
March 2	1,418,66	10,73	**1,429,38**	40,02	682,16	103,98	603,23	*50.52*
„ 9	1,444,09	8,87	**1,452,96**	40,02	697,16	102,56	613,23	*50.74*
„ 16	1,448,86	14,42	**1,463,27**	40,02	672,32	102,93	648,01	*48.68*
„ 23	1,453,78	9,84	**1,463,62**	40,02	676,29	103,28	644,04	*48.94*
„ 30	1,466,64	11,77	**1,478,41**	40,02	656,42	103,16	678,82	*47.11*

† Including Rs. 43 crores of India notes retired from circulation in Pakistan and awaiting cancellation.

STATEMENT 39

RESERVE BANK OF INDIA : ISSUE DEPARTMENT (ANNUAL AND MONTHLY)

(Lakhs of Rupees)

Average of Friday Figures	LIABILITIES			ASSETS				
	Notes in Circulation*	Notes held in the Banking Department	Total Liabilities (Total Notes* Issued) or Assets	Gold Coin and Bullion†	Foreign Securities	Rupee Coin**	Rupee Securities	4+5 *as percentage of* (3)
	1	2	3	4	5	6	7	8
1950-51	1,163,21	17,19	**1,180,40**	40 02	624,70	57,21	458,47	*56.31*
1951-52	1,189,84	27,78	**1,217,62**	40,02	625,27	63,98	488,36	*54.64*
1952-53	1,114,84	27,87	**1,142,72**	40,02	564,40	80,22	458,08	*52.89*
1953-54	1,133,95	23,03	**1,156,97**	40,02	594,02	92,83	430,11	*54.80*
1954-55	1,196,19	22,98	**1,219,18**	40,02	648,81	102,26	428,09	*56.50*
1955-56	1,339,39	17,08	**1,356,47**	40,02	656,52	106,87	553,06	*51.35*
April 1955	1,313,32	18,42	**1,331,73**	40,02	652,98	104,99	533,75	*52.04*
May „	1,324,71	15,14	**1,339,85**	40,02	661,98	104,14	533,71	*52.39*
June „	1,322,06	17,97	**1,340,03**	40,02	652,04	104,33	543,64	*51.64*
July „	1,306,93	29,34	**1,336,27**	40,02	646,04	106,57	543,65	*51.34*
August „	1,299,00	26,50	**1,325,50**	40,02	633,29	108,51	543.68	*50.80*
September „	1,290,78	23,49	**1,314,28**	40,02	668,82	110,51	494,93	*53.93*
October „	1,303,25	10,97	**1,314,21**	40,02	632,07	110,95	531,18	*51.14*
November „	1,327,05	14,26	**1,341,32**	40,02	642,07	109,38	549,84	*50.85*
December „	1,350,04	10.13	**1,360,17**	40,02	662,98	108,56	548,61	*51.68*
January 1956	1,384,06	16,67	**1,400,73**	40,02	679,49	106,53	574,70	*51.37*
February „	1,402,42	9,14	**1,411,56**	40,02	663,41	104,90	603,24	*49.83*
March „	1,446,41	11,12	**1,457,53**	40,02	676,87	103,18	637,46	*49.18*

Note.—Figures from October 1951 are net of adjustments made in respect of India notes returned from circulation in Aden.

* Including Rs. 43 crores of India notes retired from circulation in Pakistan and awaiting cancellation.

† Valued at the statutory rate of Rs. 21-3-10 per tola.

**Including one rupee notes.

STATEMENT 40

RESERVE BANK OF INDIA : BANKING DEPARTMENT

WEEKLY STATEMENT OF ASSETS AND LIABILITIES, 1955-56

(Lakhs of Rupees)

1955-56	LIABILITIES							ASSETS						
	Deposits					Other Liabilities**	Total Liabilities* or Assets	Notes and Coin	Balances held abroad@	Loans and Advances to Governments	Other Loans and Advances	'Bills Purchased and Discounted	Investments	Other Assets
	Central Government	Other Governments	Banks	Others	Total									
As at the close of 1955	1	2	3	4	5	6	7	8	9	10	11	12	13	14
April 1 ..	65,02	61,59	46,27	21,84	**194,72**	33,06	**237,78**	11,43	97,77	—	48,14	10,63	47,78	22,04
„ 8 ..	57,81	30,16	44,95	21,52	**154,44**	32,01	**196,45**	8,59	73,96	1,19	30,95	12,33	47,23	22,21
„ 15 ..	55,39	24,32	50,49	21,40	**151,59**	32,96	**194,55**	15,93	63,35	31	33,94	12,55	46,12	22,36
„ 22 ..	53,11	30,42	48,31	22,70	**154,54**	33,46	**198,01**	25,61	58,23	17	35,15	12,71	43,63	22,51
„ 29 ..	51,02	35,00	48,66	22,80	**157,47**	32,45	**199,92**	31,37	53,19	89	35,45	12,00	41,57	25,46
May 6 ..	50,09	23,21	47,24	22,08	**142,63**	34,01	**186,64**	10,64	53,76	80	40,49	12,02	41,48	27,44
„ 13 ..	51,93	19,24	47,97	22,34	**141,48**	36,85	**188,32**	8,67	52,07	80	44,52	11,70	41,47	29,09
„ 20 ..	55,23	14,99	50,87	22,11	**143,20**	40,68	**193,88**	17,60	53,58	80	40,47	10,89	41,28	29,26
„ 27 ..	54,63	14,17	49 46	21,77	**140,04**	41,44	**191,48**	24,19	48,46	80	35,78	11,23	41,79	29,24
June 3 ..	52,21	14,75	46,72	21,88	**135,56**	41,79	**187,35**	14,41	60,03	80	29,40	12,24	40,74	29,73
„ 10 ..	55,35	11,58	48,95	21,68	**137,57**	42,28	**189,85**	8,34	66,11	1,36	29,63	14,09	40,52	29,81
„ 17 ..	57,15	11,79	49,88	22,15	**140,98**	45,28	**196,26**	19,20	64,60	1,05	28,61	14,03	39,04	29,73
„ 24 ..	57,83	11,21	54,52	21,84	**145,40**	45,88	**201,29**	30,46	63,93	80	26,80	10,75	37,90	30,65
July 1 ..	58,96	12,34	46,14	35,70	**153,14**	30,04	**193,17**	28,69	61,86	91	37,20	11,96	46,55	6,01
„ 8 ..	84,07	17,67	46,87	14,90	**163,51**	28,76	**202,26**	19,25	63,32	86	41,69	9,96	61,24	5,94
„ 15 ..	81,74	20,05	52,27	14,81	**168,86**	29,37	**208,23**	31,08	64,36	80	35,45	9,40	61,21	5,93
„ 22 ..	79,62	18,90	53,34	14,67	**166,53**	35,59	**212,12**	30,47	79,62	83	25,40	8,58	61,24	5,98
„ 29 ..	80,24	20,19	54,46	15,06	**169,95**	36,88	**216,84**	37,87	80,03	1,00	22,47	7,75	61,47	6,25
August 5 ..	76,71	10,88	48,51	15,74	**151,84**	38,14	**199,98**	22,64	82,24	85	19,58	7,69	61,66	5,31
„ 12 ..	75,02	9,44	53,74	15,66	**153,85**	37,29	**201,14**	21,49	81,94	3,57	18,75	8,11	62,02	5,26
„ 19 ..	90,95	25,89	51,80	33,43	**202,08**	23,76	**235,84**	31,56	85,30	2,44	33,38	11,51	62,38	9,27
„ 26 ..	104,65	36,42	51,36	16,27	**208,71**	23,29	**242,00**	30,89	95,50	80	28,75	12,29	62,65	11,13

September	2	..	64,38	40,16	54,99	18,88	**178,41**	18,30	**206,71**	22,46	63,10	25	33,75	12,55	63,20	11,40
„	9	..	58,47	13,93	48,39	16,37	**137,16**	19,26	**166,42**	13,53	49,23	37	29,50	13,49	48,77	11,53
„	16	..	61,96	13,43	52,89	16,57	**144,85**	22,84	**177,69**	22,84	48,23	65	30,81	14,35	49,24	11,58
„	23	..	58,94	12,24	58,53	16,34	**146,05**	23,05	**179,09**	26,55	49,63	1,82	26,01	13,73	49,61	11,75
„	30	..	58,04	11,64	62,77	16,37	**148,83**	22,86	**181,69**	32,75	47,66	2,02	23,11	14,28	49,85	12,01
October	7	..	51,15	9,59	67,25	16,36	**144,35**	23,82	**178,17**	9,99	69,43	2,67	22,10	11,90	50,11	11,98
„	14	..	51,76	29,08	61,94	15,86	**158,63**	24,87	**193,50**	9,41	91,60	35	20,94	8,91	50,22	12,06
„	21	..	48,34	25,48	57,59	15,88	**147,29**	27,17	**184,46**	8,85	85,41	—	19,45	8,23	50,30	12,22
„	28	..	49,33	30,23	57,71	15,79	**153,07**	27,82	**190,89**	16,13	85,27	2	19,57	7,15	50,33	12,42
November	4	..	54,69	18,84	59,05	15,46	**148,04**	27,55	**185,60**	13,07	81,93	1,04	21,12	5,77	50,26	12,41
„	11	..	56,83	14,25	53,58	15,27	**139,94**	29,61	**179,55**	12,68	66,28	2,84	26,98	8,37	50,08	12,32
„	18	..	53,07	13,72	57,55	15,61	**139,94**	31,60	**181,55**	10,05	70,86	3,11	25,89	9,56	49,97	12,11
„	25	..	55,13	12,43	63,90	15,48	**146,94**	30,07	**187,01**	21,79	72,63	1,89	22,67	5,76	50,05	12,22
December	2	..	51,36	10,16	62,37	15,48	**139,37**	32,13	**181,51**	14,09	71,25	2,00	25,39	5,85	50,43	12,51
„	9	..	54,18	5,99	57,93	15,67	**133,78**	33,91	**177,69**	8,02	69,55	3,79	26,45	6,83	50,53	12,52
„	16	..	60,14	7,46	55,99	16,80	**140,39**	34,50	**184,88**	9,11	71,17	5,11	29,68	6,62	50,54	12,66
„	23	..	50,95	7,95	55,24	16,08	**130,22**	37,13	**177,34**	7,87	59,37	5,29	32,19	9,16	50,43	13,03
„	30	..	54,01	10,62	57,87	15,81	**138,31**	36,13	**184,45**	12,16	48,30	3,66	44,63	12,07	50,54	13,09
1956																
January	6	..	54,11	9,73	51,79	15,62	**131,24**	38,09	**179,33**	11,71	43,40	4,11	44,68	11,83	50,51	13,09
„	13	..	52,11	8,46	55,06	15,83	**131,47**	41,14	**182,61**	13,12	43,96	3,58	43,48	13,70	51,59	13,17
„	20	..	50,30	13,38	67,51	21,41	**152,60**	45,06	**207,66**	19,26	72,55	1,82	42,59	6,89	51,24	13,31
„	27	..	54,02	18,47	65,24	17,10	**154,83**	40,82	**205,65**	23,12	67,05	1,79	44,33	4,92	51,17	13,27
February	3	..	52,88	14,40	63,23	15,80	**146,31**	52,28	**208,59**	8,56	81,41	2,52	49,62	2,57	50,38	13,54
„	10	..	60,55	11,00	53,01	15,93	**140,49**	53,36	**203,86**	7,44	71,06	3,69	54,36	3,98	49,76	13,56
„	17	..	64,55	13,06	54,12	15,70	**147,43**	47,56	**204,99**	8,33	71,12	3,84	53,51	3,55	49,39	15,24
„	24	..	66,51	16,12	55,16	15,98	**153,77**	45,16	**208,93**	12,74	67,66	3,60	56,15	4,23	49,29	15,26
March	2	..	59,56	18,03	49,35	16,81	**143,75**	45,99	**199,74**	10,82	53,93	2,89	63,29	4,08	47,42	17,32
„	9	..	54,31	10,55	47,41	16,88	**129,15**	47,77	**186,92**	9,01	40,62	4,37	68,25	10,02	37,62	17,04
„	16	..	55,64	46,95	46,54	17,04	**166,18**	50,48	**226,66**	14,56	70,72	34	76,26	10,11	37,54	17,12
„	23	..	52,69	48,52	49,72	17,25	**168,18**	51,26	**229,43**	9,99	71,54	20	81,67	11,19	37,42	17,42
„	30	..	67,34	62,03	53,24	16,68	**199,30**	49,46	**258,77**	11,92	89,72	—	79,94	12,23	47,19	17,77

** Including Rs. 10 crores credited to the National Agricultural Credit (Long-Term Operations) Fund from February 3, 1956.

* Including capital and reserves, Rs. 10 crores.

@ Including cash and short-term securities.

STATEMENT 41

RESERVE BANK OF INDIA : BANKING DEPARTMENT (ANNUAL AND MONTHLY)

(Lakhs of Rupees)

Average of Friday figures	LIABILITIES							ASSETS						
	Deposits					Other Liabilities**	Total Liabilities* or Assets	Notes and Coin	Balances held abroad†	Loans and Advances to Governments	Other Loans and Advances	Bills Purchased and Discounted	Investments	Other Assets
	Central Government	Other Governments	Banks	Others	Total									
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
1950-51	148,60	17,71	62,22	62,29	**290,82**	18,14	**318,97**	17,31	207,70	2,37	6,77	3,05	76,72	5,06
1951-52	181,30	15,95	58,68	69,22	**325,15**	18,62	**353,77**	27,92	187,14	5,90	19,42	6,31	95,19	11,91
1952-53	136,40	7,79	52,89	61,93	**259,02**	23,69	**292,71**	28,03	133,56	2,85	19,03	6,64	89,77	12,83
1953-54	105,44	23,40	46,52	57,45	**232,80**	23,91	**266,72**	23,22	123,31	1,78	19,84	9,46	81,58	7,51
1954-55	89,13	20,66	55,20	36,29	**201,28**	23,62	**234,90**	23,24	87,53	1,14	26,55	6,10	80,52	9,82
1955-56	60,11	19,85	53,77	18,31	**152,04**	35,59	**197,64**	17,21	66,96	1,73	36,99	9,78	49,36	15,61
April 1955 ..	56,47	36,30	47,74	22,05	**162,55**	32,79	**205,34**	18,58	69,30	51	36,73	12,04	45,27	22,91
May „ ..	52,97	17,90	48,89	22,08	**141,84**	38,24	**190,08**	15,27	51,97	80	40,32	11,46	41,50	28,76
June „ ..	55,63	12,33	50,02	21,89	**139,88**	43,81	**193,69**	18,10	63,67	100	28,61	12,78	39,55	29,98
July „ ..	76,93	17,83	50,62	19,03	**164,40**	32,13	**206,52**	29,47	69,84	88	32,44	9,53	58,34	6,02
August „ ..	86,83	20,66	51,35	20,27	**179,12**	30,62	**219,74**	26,64	86,25	1,92	25,11	9,90	62,18	7,74
September „ ..	60,36	18,28	55,51	16,91	**151,06**	21,26	**182,32**	23,62	51,57	1,02	28,64	13,68	52,14	11,65
October „ ..	50,15	23,59	61,12	15,97	**150,83**	25,92	**186,76**	11,09	82,93	76	20,52	9,05	50,24	12,17
November „ ..	54,93	14,81	58,52	15,46	**143,72**	29,71	**183,43**	14,40	72,93	2,22	24,17	7,37	50,09	12,26
December „ ..	54,13	8,44	57,88	15,97	**136,41**	34,76	**181,17**	10,25	63,93	3,97	31,67	8,10	50,50	12,76
January 1956 ..	52,63	12,51	59,90	17,49	**142,54**	41,28	**193,81**	16,80	56,74	2,83	43,77	9,33	51,13	13,21
February „ ..	61,12	13,65	56,38	15,85	**147,00**	49,59	**206,59**	9,27	72,81	3,41	53,41	3,58	49,70	14,40
March „ ..	57,91	37,22	49,25	16,93	**161,31**	48,99	**220,30**	11,26	65,30	1,56	73,88	9,53	41,44	17,33

** Including Rs. 10 crores credited to the National Agricultural Credit (Long-Term Operations) Fund from February 3, 1956.
* Including capital and reserves, Rs. 10 crores. † Including cash and short-term securities.

STATEMENT 42

PRICES (IN BOMBAY) OF GOVERNMENT OF INDIA SECURITIES, 1955-56

LOANS	As on Nov. 14, 1951	Average† for Mar. 1955	April 1955	May 1955	June 1955	July 1955	Aug. 1955	Sept. 1955	Oct. 1955	Nov. 1955	Dec. 1955	Jan. 1956	Feb. 1956	Mar. 1956	1955-56 High-est	1955-56 Low-est	Difference of March 1956 over March 1955
	Rs. as.	Rs. as.	Rs. as.	Rs. as.	Rs. as.	Rs. as.	Rs. as.	Rs. as.	Rs. as.	Rs. as.	Rs. as.	Rs. as.	Rs. as.	Rs. as.	Rs. as.	Rs. as.	Rs. as.
Terminables :																	
Under 5 Years																	
2½% 1955*	99 8	99 10	99 10	99 11	99 11	99 13	99 14	99 14									
4¼% 1955-60**	106 15	101 5	101 4	100 15	100 10	100 5	100 4										
3 % 1957	99 14	99 4	99 4	99 7	99 9	99 10	99 9	99 8	99 10	99 9	99 8	99 8	99 10	99 10	99 11	99 4	+0 6
3 % 1958	99 12	99 3	99 3	99 6	99 8	99 8	99 6	99 6	99 8	99 7	99 7	99 7	99 8	99 9	99 9	99 3	+0 6
3 % 1959-61	98 6	97 5	97 6	97 10	98 0	98 0	97 15	97 14	98 0	98 0	98 0	98 3	98 3	98 1	98 4	97 5	−0 12
2¾% 1960	95 11	94 14	94 14	94 15	94 15	95 1	95 2	95 6	95 10	95 13	95 13	96 0	96 3	96 3	96 3	94 14	+1 5
4 % 1960-70	106 10	101 14	101 14	101 14	101 15	101 14	101 14	101 14	101 12	101 10	101 12	101 12	101 13	101 10	101 15	101 8	−0 4
Between 5 and 10 years																	
2½% 1961	93 11	91 10	91 12	91 15	92 1	92 3	92 4	92 9	92 13	92 15	92 15	93 0	93 5	93 6	93 6	91 10	+1 12
3½% 1961		99 8	99 9	99 14	99 13	99 11	99 10	99 10	99 11	99 10	99 8	99 8	99 7	99 6	100 0	99 6	−0 2
2¾% 1962	94 7	92 9	92 10	92 11	92 14	92 15	93 0	93 2	93 9	93 11	93 12	93 12	93 12	93 12	93 12	92 9	+1 3
3 % 1963-65	95 11	93 11	93 10	94 0	94 2	94 4	94 5	94 6	94 8	94 11	94 10	94 10	94 11	94 10	94 13	93 9	+0 15
3 % 1964	95 12	93 11	93 9	93 14	94 3	94 4	94 4	94 4	94 6	94 8	94 10	94 11	94 11	94 10	94 11	93 9	+0 15
3½% 1964		98 8	98 8	98 11	98 13	98 11	98 10	98 11	98 14	98 11	98 11	98 12	98 10	98 8	98 15	98 7	—
3½% 1965@						98 8	98 8	98 8	98 9	98 8	98 10	98 9	98 8	98 7			
Between 10 and 15 years																	
3 % 1966-68	93 15	90 9	90 8	90 12	91 2	91 6	91 7	91 9	91 11	91 13	91 11	91 15	92 5	92 9	92 12	90 7	+2 0
Between 15 and 20 years																	
3 % 1970-75	92 13	86 15	86 14	87 1	87 2	87 2	87 2	87 2	87 8	87 8	87 10	87 15	88 9	89 4	89 11	86 13	+2 5
Over 20 years																	
2¾% 1976	89 0	82 0	82 0	82 0	82 1	82 2	82 2	82 2	82 2	82 2	82 2	82 2	82 5	82 7	82 8	82 0	+0 7
Non-Terminables :																	
3 % Conversion Loan 1986 or later ..	92 8	80 13	80 10	80 12	80 8	80 9	80 6	80 7	80 8	80 6	80 6	80 6	79 15	77 0	81 2	76 12	−3 13
3 % Rupee Paper ..	92 8	80 4	80 4	80 4	80 0	80 0	80 0	80 0	80 0	80 0	80 0	80 0	80 0	77 4	80 4	77 4	−3 0
Rupee Counterparts																	
4½% 1958-68	109 13	103 7	103 5	103 5	103 5	103 5	103 5	103 5	103 5	103 5	103 5	103 5	103 5	103 4	103 8	103 4	−0 3

Note:—The maturity classification is as of March 31, 1956 and on the assumption of the earlier date of redemption.

† Average of closing quotations for working days.

** Repaid on September 15, 1955.

* Repaid on October 1,1955.

@ Issued on July 1, 1955.

STATEMENT 43

AVERAGE YIELDS ON GOVERNMENT OF INDIA SECURITIES (ANNUAL AND MONTHLY)

(Per cent per annum)

LOANS	As on Nov. 14, 1951	Average for Mar. 1955	April 1955	May 1955	June 1955	July 1955	Aug. 1955	Sept. 1955	Oct. 1955	Nov. 1955	Dec. 1955	Jan. 1956	Feb. 1956	Mar. 1956	Annual Average 1955-56	Annual Average 1954-55	Difference of March 1956 over March 1955
Terminables :																	
Under 5 years																	
2½% 1955**	2.63	3.19	3.31	3.33	3.57	3.38	3.47									3.17	
4½% 1955-60††	2.59	1.85	1.52	1.70	2.01	2.65	1.55									2.80	
3 % 1957	3.02	3.32	3.33	3.25	3.20	3.18	3.23	3.26	3.20	3.26	3.30	3.32	3.25	3.27	3.25	3.46	—0.05
3 % 1958	3.04	3.25	3.26	3.20	3.17	3.17	3.22	3.22	3.19	3.21	3.22	3.22	3.21	3.19	3.21	3.38	—0.06
3 % 1959-61	3.24	3.66	3.66	3.61	3.52	3.53	3.56	3.58	3.56	3.57	3.58	3.54	3.55	3.61	3.58	3.74	—0.05
2¾% 1960	3.33	3.82	3.84	3.84	3.85	3.85	3.85	3.81	3.76	3.74	3.75	3.72	3.70	3.71	3.79	3.84	—0.11
4 % 1960-70	3.14	3.62	3.62	3.61	3.59	3.60	3.60	3.59	3.61	3.63	3.60	3.59	3.57	3.60	3.60	3.66	—0.02
Between 5 and 10 years																	
2½% 1961	3.26	3.98	4.00	3.98	3.97	3.97	3.97	3.93	3.90	3.89	3.91	3.92	3.87	3.88	3.94	3.95	—0.10
3½% 1961		3.59	3.58	3.52	3.54	3.56	3.57	3.58	3.56	3.58	3.60	3.60	3.62	3.64	3.58	3.65	+0.05
2¾% 1962	3.36	3.89	3.88	3.88	3.86	3.86	3.87	3.86	3.80	3.78	3.78	3.80	3.81	3.82	3.83	3.87	—0.07
3 % 1963-65	3.46	3.91	3.93	3.88	3.86	3.85	3.85	3.85	3.84	3.82	3.83	3.84	3.84	3.86	3.86	3.92	—0.05
3 % 1964	3.42	3.82	3.84	3.80	3.77	3.77	3.77	3.78	3.77	3.76	3.74	3.74	3.75	3.76	3.77	3.83	—0.06
3½% 1964		3.70	3.70	3.67	3.66	3.67	3.69	3.68	3.65	3.68	3.68	3.67	3.70	3.72	3.68	3.72	+0.02
3½% 1965*						3.68	3.68	3.68	3.68	3.69	3.67	3.68	3.69	3.70			
Between 10 and 15 years																	
3 % 1966-68	3.52	4.03	4.04	4.02	3.98	3.96	3.96	3.95	3.94	3.93	3.96	3.93	3.89	3.87	3.96	4.00	—0.16
Between 15 and 20 Years																	
3 % 1970-75	3.52	4.14	4.16	4.14	4.14	4.15	4.15	4.16	4.13	4.14	4.12	4.10	4.04	3.98	4.12	4.13	—0.16
Over 20 years																	
2¾% 1976	3.41	4.01	4.01	4.02	4.01	4.01	4.02	4.02	4.02	4.03	4.03	4.03	4.02	4.02	4.02	3.99	—0.01
Non-terminables :																	
3 % Conversion Loan 1986 or Later *F*. ..	3.37	3.71	3.72	3.71	3.73	3.72	3.73	3.73	3.73	3.73	3.73	3.73	3.75	3.90	3.74	3.67	+0.19
3 % Rupee Paper *F* ..	3.25	3.74	3.74	3.74	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.89	3.76	3.70	+0.15
Rupee Counterparts :																	
4½% 1958-68	2.85	3.35	3.37	3.35	3.32	3.28	3.25	3.21	3.17	3.13	3.09	3.04	2.99	2.98	3.18	3.44	—0.37

Note.—The maturity classification is as of March 31, 1956 and on the assumption of the earlier date of redemption. Yields are gross i.e. not allowing for income-tax and are calculated to the earlier date of redemption, on the basis of prices quoted at Bombay.

** Repaid on October 1, 1955. †† Repaid on September 15, 1955. * Issued on July 1, 1955. *F* = Flat Yield.

STATEMENT 44

PRICES OF REPRESENTATIVE INDUSTRIAL SHARES, 1955-56

SCRIPS	End of May 1950*	May 1951†	Sept. 1953@	Mar. 1955	June 1955	Sept. 1955	Dec. 1955	Mar. 1956	1955-56 Highest	1955-56 Lowest	Percentage variation of 8 over 2	Percentage variation of 8 over 3	Percentage variation of 8 over 4
	1	2	3	4	5	6	7	8	9	10	11	12	13
	Rs. as.	Rs. as.	Rs. as.	Rs. as.	Rs. as.	Rs. as.	Rs. as.	Rs. as.	Rs. as.	Rs. as.			
Steels :													
Tata Ordinary	316 0	398 8	314 12	239 0xr	239 4	243 8	257 12	252 4	277 4	218 8			+ 5.5
Indian Iron	29 12	38 8	23 4	35 4	34 13	38 5	38 5	35 2	43 4	31 8	— 8.8	+ 51.1	— 0.4
Textiles :													
Bombay Dyeing	967 8	526 4xr	356 4xd	465 10	481 4	530 0xd	591 4	637 8	639 6	452 8	+21.1	+ 78.9	+36.9
Kohinoor	290 4xd	396 8	276 8xd	313 8	331 0	332 0	344 0	364 8	372 12	307 0	— 8.1	+ 31.8	+16.3
Century	232 8	376 0	256 8	378 8	395 0	427 0	499 8	539 0	540 0	365 0	+43.4	+110.1	+42.4
Buckingham	136 0	167 0	122 0	156 8xd	162 8	171 12	176 0	184 0xd	190 0	151 8	+10.2	+ 50.8	+17.6
Bank and Insurance :													
India	179 0	161 0	155 8	145 0	145 12	157 0	158 8	154 8	172 8	145 0	— 4.0	— 0.7	+ 6.6
Central	83 0	79 4	63 12	50 0	47 4	47 4	52 8	47 12xd	56 0	45 8	—39.7	— 25.1	— 4.5
Oriental	4870 0	5000 0	7050 0	7275 0	7210 0	6710 0	4900 0	3900 0	7515 0	3550 0	—22.0	— 44.7	—46.4
New India	64 0	51 0xr	39 12	52 0	49 0	48 0	45 0	38 12	54 0	38 8	—24.0	— 2.5	—25.5
Jute :													
Anglo-India	236 0	445 0	200 0	225 0	215 0	231 0	212 0	185 0	258 0	185 0	—58.4	— 7.5	—17.8
Howrah	29 6	40 4	23 0	29 13	31 15	28 12	27 10	23 0xd	34 10	22 4	—42.9	—	—22.9
Coal :													
Bengal	516 0	637 0	507 0	517 0	520 0	520 0xd	559 0	543 0	614 0	493 0	—14.8	+ 7.1	+ 5.0
Burrakur	14 2	16 11xd	8 13	12 6	13 14	14 0	15 6	14 10	17 4	12 8	—12.4	+ 66.1	+18.2
Tea :													
Hasimara	43 12	47 8	27 8	48 12	47 4	40 8xd	32 14	38 10	50 8	32 10	—18.7	+ 40.5	—20.8
Patrakola	196 0	240 0	125 0	248 0	213 0	199 0	163 0xd	205 0	250 0	161 0	—14.6	+ 64.0	—17.3
Miscellaneous :													
Carew Sugar	8 12	8 10	7 2	13 6	11 11	12 8	11 12	9 1xd	15 12	9 1	+ 5.0	+ 27.1	—32.2
Belapur Sugar	226 0	283 8	242 0	311 0	316 0	336 8	364 0	235 0xr	387 0	206 0xr			
Chembra Peak	5 8	5 5	2 5	5 10	5 3	5 1½	4 8	4 13	5 10	4 1	— 9.4	+108.2	—14.6
Cochin Malabar	5 4	11 8	6 6xr	7 9½	8 3	9 1	8 7½	8 14	9 7	7 5		+ 39.2	+17.0
A. C. C.	152 4	173 12	170 0xr	179 8	184 4	194 12	225 12	224 0	238 8	173 12		+ 31.8	+24.8
Fertilisers and Chemicals, Travancore-Cochin	6 3	7 1xd	3 0	5 1½	5 8	6 7	7 6½	7 1	7 13	4 14	—	+135.3	+38.7
Scindia Steam	10 14	18 12½	13 10½	15 3	15 3	15 13½	18 1	18 5xd	19 12½	14 7	— 2.5	+ 34.0	+20.5

* Pre-Korea † Post-Korean peak @ Since when there has been a more or less continuous uptrend.

xd = Ex-dividend xr = Ex-right.

STATE

YIELDS (TAX-FREE) ON INDUSTRIAL SECURITIES—ALL-INDIA

(Compiled by the Department of Research and

Average of months/month	Debentures (Total)	Preference shares (Total)	Variable Dividend Industrial										
			Total	Financial			Public Utilities			Manufacturing			
				Banks	Insurance	Investment Trust	Electricity	Shipping and Other Transport		Cotton Textiles*	Jute Textiles	Iron and Steel	Paper
	1	2	3	4	5	6	7	8		9	10	11	12
1. 1953-54 ..	3.93	5.28	6.07	5.32	4.40	6.88	6.09	5.70		6.36	6.05	4.67	6.56
2. 1954-55 ..	3.79	5.21	5.09	5.19	3.90	6.12	5.82	5.01		5.85	3.92	3.55	4.71
3. 1955-56 ..	3.82	5.29	5.01	5.70	4.71	6.01	5.75	4.52		5.26	4.08	3.21	4.75
4. April 1953..	3.95	5.37	6.56	5.36	4.22	7.01	5.86	5.74		6.45	7.51	4.81	6.72
5. May „ ..	3.99	5.32	6.40	5.30	4.19	6.92	5.79	5.68		6.26	6.57	4.67	6.64
6. June „ ..	4.00	5.26	6.27	5.26	4.10	6.64	5.79	5.54		6.25	6.53	4.72	6.61
7. July „ ..	4.00	5.26	6.34	5.30	4.36	6.67	5.76	5.60		6.36	6.66	4.87	6.78
8. August „ ..	3.99	5.25	6.26	5.33	4.71	6.84	5.85	5.58		6.40	5.91	4.94	6.83
9. September „ ..	3.95	5.29	6.23	5.38	4.71	6.90	5.88	5.65		6.58	6.07	5.09	6.90
10. October „ ..	3.95	5.28	6.18	5.42	4.63	7.08	6.18	5.68		6.68	5.96	4.90	6.70
11. November „ ..	3.95	5.29	5.99	5.43	4.56	6.92	6.42	5.80		6.43	5.55	4.64	6.50
12. December „ ..	3.95	5.25	5.80	5.31	4.49	6.76	6.49	6.08		6.44	5.54	4.57	6.49
13. January 1954..	3.83	5.24	5.79	5.25	4.41	6.95	6.47	6.03		6.32	5.84	4.52	6.43
14. February „ ..	3.80	5.26	5.52	5.25	4.29	6.98	6.32	5.61		6.02	5.20	4.17	6.07
15. March „ ..	3.75	5.29	5.50	5.20	4.13	6.92	6.21	5.39		6.19	5.24	4.13	6.07
16. April „ ..	3.74	5.26	5.48	5.24	4.08	6.81	6.21	5.40		6.19	5.24	3.91	5.56
17. May „ ..	3.74	5.27	5.47	5.17	4.19	6.69	6.20	5.47		6.29	5.17	3.91	5.59
18. June „ ..	3.75	5.24	5.33	5.13	4.10	6.54	6.21	5.39		6.13	4.89	3.77	5.33
19. July „ ..	3.75	5.21	5.16	5.11	3.76	6.32	6.06	5.11		5.84	4.66	3.61	5.03
20. August „ ..	3.78	5.17	4.91	5.05	3.68	6.02	5.89	4.81		5.47	3.90	3.41	4.67
21. September „ ..	3.80	5.20	4.75	5.02	3.67	5.76	5.66	4.82		5.52	3.24	3.28	4.35
22. October „ ..	3.80	5.19	4.82	5.05	3.84	5.63	5.57	5.10		5.62	3.29	3.43	4.38
23. November „ ..	3.81	5.18	4.94	5.18	4.01	5.71	5.58	5.15		5.63	3.44	3.44	4.44
24. December „ ..	3.82	5.18	5.09	5.21	4.07	5.78	5.63	4.92		5.79	3.27	3.56	4.49
25. January 1955..	3.82	5.19	5.12	5.28	3.83	5.85	5.61	4.73		5.86	3.23	3.49	4.44
26. February „ ..	3.81	5.20	5.19	5.35	3.77	6.07	5.62	4.47		5.97	3.44	3.49	4.22
27. March „ ..	3.82	5.25	4.88	5.45	3.77	6.27	5.62	4.70		5.90	3.31	3.30	4.00
28. April „ ..	3.81	5.25	4.85	5.56	3.78	6.11	5.65	4.60		5.86	3.30	3.36	3.94
29. May „ ..	3.82	5.25	4.97	5.63	3.95	6.19	5.73	4.61		5.92	3.40	3.45	3.95
30. June „ ..	3.82	5.26	5.05	5.92	4.10	6.18	5.75	4.67		5.90	3.42	3.49	4.39
31. July „ ..	3.82	5.27	4.94	5.88	3.95	6.01	5.72	4.64		5.57	3.54	3.23	4.74
32. August „ ..	3.81	5.28	4.92	5.71	4.42	5.92	5.76	4.54		5.45	3.72	3.01	4.55
33. September „ ..	3.82	5.30	4.90	5.80	4.60	5.91	5.73	4.46		5.27	4.03	3.07	4.83
34. October „ ..	3.84	5.30	4.95	5.69	4.65	5.82	5.58	4.35		5.02	4.30	3.04	5.03
35. November „ ..	3.81	5.30	4.82	5.54	4.64	5.60	5.61	4.26		4.74	4.32	2.86	4.75
36. December „ ..	3.81	5.28	4.84	5.39	4.95	5.76	5.76	4.27		4.62	4.34	2.92	4.81
37. January 1956..	3.81	5.32	5.03	5.51	5.35	6.08	5.87	4.45		4.81	4.64	3.21	5.16
38. February „ ..	3.82	5.36	5.26	5.85	5.96	6.26	5.93	4.67		4.97	4.95	3.49	5.38
39. March „ ..	3.84	5.27	5.56	5.97	6.15	6.28	5.88	4.74		4.96	5.04	3.43	5.49

Note : Discontinuities arising out of exclusion of scrips of those Companies declaring nil dividend are indicated by lines running across the column.

* Including woollen and silk.

MENT 45

AND REGIONAL—BY GROUPS AND SUB-GROUPS

Statistics of the Reserve Bank of India

(Per cent per annum)

INDIA								REGIONAL				
Securities								Variable Dividend Industrial Securities				
Industries				Non-Manufacturing Industries			Miscel-laneous					
Cement	General Engi-neering	Sugar †	Chemi-cals	Coal	Mining and Oil	Planta-tions		Bombay	Calcutta	Madras	Delhi	
13	14	15	16	17	18	19	20	21	22	23	24	
5.76	5.30	6.90	6.89	7.39	7.52	6.83	6.40	5.27	6.12	7.02	6.69	1
5.00	3.56	5.55	5.18	5.55	5.41	5.46	5.14	4.79	4.91	6.50	5.78	2
4.51	3.30	5.13	5.38	5.24	6.41	9.99	3.07	4.55	4.98	6.86	4.63	3
5.75	6.11	7.91	7.98	7.45	7.01	10.23	7.00	5.37	6.81	7.20	7.00	4
5.65	6.03	7.67	8.05	7.68	7.50	10.06	6.96	5.26	6.65	7.11	6.77	5
5.72	6.05	7.41	8.14	7.34	8.00	9.34	6.50	5.30	6.46	6.87	6.65	6
5.90	6.01	7.57	7.97	7.59	8.39	8.51	6.71	5.35	6.54	6.82	6.88	7
6.00	5.48	7.46	7.16	8.21	8.44	7.53	6.81	5.35	6.42	6.85	6.90	8
6.04	5.49	7.20	6.76	8.30	8.24	6.30	6.71	5.44	6.30	7.14	6.69	9
5.89	5.16	6.93	6.43	8.23	7.55	6.14	6.58	5.45	6.19	7.26	6.65	10
5.72	4.79	6.24	6.26	8.03	7.40	6.07	6.26	5.27	5.99	7.20	6.70	11
5.57	4.78	6.24	6.14	6.69	7.55	4.44	5.98	5.22	5.72	6.99	6.71	12
5.70	4.72	6.13	6.01	6.54	7.30	4.51	6.04	5.21	5.69	6.94	6.70	13
5.62	4.55	5.94	5.87	6.30	6.38	4.39	5.75	5.02	5.37	6.88	6.48	14
5.54	4.48	6.08	5.93	6.35	6.43	4.40	5.49	5.01	5.35	6.98	6.07	15
5.38	4.33	5.90	5.79	6.19	6.43	4.19	5.77	4.96	5.35	7.02	6.22	16
5.55	4.33	5.83	5.90	6.00	6.66	4.19	5.55	5.06	5.24	6.82	6.40	17
5.43	3.99	5.80	5.88	5.85	5.75	4.10	5.49	4.98	5.08	6.70	6.34	18
5.08	3.45	5.65	5.54	5.57	5.53	4.46	5.38	4.83	4.94	6.59	5.99	19
4.82	3.21	5.22	5.08	5.28	5.05	5.53	4.88	4.63	4.71	6.31	5.51	20
4.46	3.10	5.15	4.70	5.10	4.75	5.04	4.83	4.57	4.53	6.13	5.41	21
4.62	3.30	5.31	4.42	5.21	5.02	5.01	4.91	4.65	4.60	6.21	5.46	22
4.67	3.38	5.37	4.79	5.60	5.08	5.08	5.28	4.70	4.77	6.32	5.59	23
5.00	3.54	5.77	4.92	5.59	5.25	6.38	5.32	4.81	4.91	6.43	5.75	24
4.91	3.49	5.68	5.02	5.44	5.16	7.18	5.32	4.76	4.98	6.42	6.00	25
5.12	3.37	5.49	5.06	5.41	5.20	7.19	5.53	4.84	5.04	6.45	6.14	26
4.92	3.27	5.44	5.11	5.39	5.06	7.21	3.37	4.67	4.73	6.63	4.52	27
4.93	3.31	5.36	5.05	5.33	5.18	7.15	3.10	4.63	4.65	6.77	4.77	28
4.96	3.36	5.34	5.42	5.46	5.90	7.85	3.13	4.73	4.74	6.93	5.03	29
4.98	3.50	5.38	5.61	5.34	7.18	7.72	3.20	4.81	4.86	7.21	5.03	30
4.52	3.37	5.22	5.34	5.07	6.88	8.11	3.16	4.66	4.82	7.00	4.77	31
4.33	3.25	4.91	5.26	4.94	6.42	9.38	2.97	4.50	4.84	6.87	4.81	32
4.33	3.21	4.86	5.25	5.04	6.23	9.28	2.85	4.50	4.86	6.89	4.42	33
4.10	3.14	4.77	5.33	5.20	6.20	11.23	2.82	4.31	5.08	6.82	4.24	34
3.87	3.09	4.76	5.28	5.36	5.84	11.28	2.64	4.13	4.99	6.64	4.01	35
4.27	2.99	4.97	5.27	5.21	6.46	11.68	2.52	4.22	4.91	6.68	3.92	36
4.52	3.18	5.16	5.31	5.09	6.69	12.12	2.60	4.46	5.06	6.83	4.05	37
4.76	3.60	5.36	5.60	5.36	7.04	12.21	2.76	4.73	5.30	6.87	4.51	38
4.60	3.62	5.41	5.80	5.47	6.89	11.93	5.07	4.90	5.66	6.81	6.06	39

† Including Breweries.

STATE

INDEX NUMBERS OF SECURITY

(Compiled by the Department of Research

Average of weeks	GROUP INDICES				SUB-GROUP INDICES OF GOVERNMENT AND SEMI-GOVERNMENT SECURITIES		
	Government and Semi-Government Securities	Debentures	Preference Shares (Fixed Dividend)	Variable Dividend	Government of India	States	Municipal, Port Trust and Improvement Trust
	1	2	3	4	5	6	7
(*Base* : *1938=100*)							
1 1950-51	100.0		101.0	124.2	100.1	98.7*	96.6
2 1951-52	95.8		97.2	127.8	95.9	97.6*	92.6
3 1952-53	91.7		90.8	107.3	91.8	94.9*	86.8
(*Base* : *1949-50=100*)							
4 1952-53	90.1		87.3	94.0	89.9	96.0*	90.2
5 1953-54	90.4	101.1	87.3	95.6	90.2	95.6	89.7
6 1954-55	90.5	100.7	88.4	112.9	90.4	95.9	89.3
7 1955-56	90.9	100.8	87.3	121.6	90.8	96.4	89.4
8 April 1954 ..	90.6	101.4	88.3	103.8	90.4	95.7	89.3
9 May „ ..	90.2	101.0	88.1	104.0	90.0	95.7	89.2
10 June „ ..	90.3	100.9	88.5	106.9	90.2	95.7	89.2
11 July „ ..	90.8	100.5	89.0	110.6	90.7	95.8	89.2
12 August „ ..	90.8	100.6	89.4	117.4	90.7	95.8	89.2
13 September „ ..	90.7	100.5	88.5	120.9	90.6	95.9	89.3
14 October „ ..	90.4	100.5	88.4	118.2	90.2	95.8	89.3
15 November „ ..	90.2	100.5	88.3	116.0	90.1	95.9	89.3
16 December „ ..	90.4	100.7	88.3	113.7	90.2	95.9	89.4
17 January 1955 ..	90.6	100.7	88.4	114.9	90.4	96.0	89.4
18 February „ ..	90.6	100.7	88.2	114.2	90.5	96.1	89.4
19 March „ ..	90.6	100.7	87.3	115.4	90.4	96.1	89.4
20 April „ ..	90.5	100.6	87.5	115.4	90.4	96.1	89.3
21 May „ ..	90.7	100.7	87.7	112.9	90.6	96.2	89.4
22 June „ ..	90.8	100.6	87.6	113.1	90.7	96.3	89.4
23 July „ ..	90.9	100.7	87.8	117.9	90.8	96.4	89.5
24 August „ ..	90.9	100.7	87.8	122.7	90.7	96.4	89.5
25 September „ ..	90.9	100.7	87.2	122.7	90.7	96.4	89.4
26 October „ ..	91.0	100.7	87.2	124.5	90.8	96.4	89.4
27 November „ ..	91.0	101.0	87.7	129.9	90.9	96.5	89.4
28 December „ ..	91.0	101.0	87.8	130.6	90.9	96.5	89.4
29 January 1956 ..	91.1	101.1	87.3	125.7	91.0	96.5	89.4
30 February „ ..	91.3	101.1	86.7	121.0	91.1	96.7	89.4
31 March „ ..	90.9	101.1	85.8	122.4	90.7	96.7	89.4
32 Percentage Variation of March 1956 over March 1955 ..	*+0.3*	*+0.4*	*—1.7*	*+6.1*	*+0.3*	*+0.6*	—

* Part B States only.

MENT 46

PRICES—ALL-INDIA (ANNUAL AND MONTHLY)

and Statistics of the Reserve Bank of India)

SUB-GROUP INDICES OF DEBENTURES								SUB-GROUP INDICES OF PREFERENCE SHARES (FIXED DIVIDEND INDUSTRIAL SECURITIES)							
Electricity	Jute Plantations		Sugar	Coal	General-Engineering	Shipping	Others	Electricity	Cotton	Jute	Coal	Iron and Steel	Sugar	Paper	
8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	
								82	147	91	105	92	107	98	*1*
								77	140	87	107	88	107	93	*2*
								76	128	81	96	84	92	87	*3*
								94	85	86	88	93	76	84	*4*
103	97	100	100	90	101	102	100	98	84	86	91	92	75	87	*5*
102	99	100	100	91	101	101	101	96	83	88	90	91	80	87	*6*
102	98	99	99	91	101	101	101	96	80	86	92	90	85	87	*7*
103	99	100	101	91	102	102	101	96	86	88	90	92	76	87	*8*
102	99	100	100	91	101	102	101	95	84	88	90	92	76	86	*9*
102	99	100	100	91	101	102	101	94	86	88	89	93	76	82	*10*
101	99	100	100	91	101	102	101	95	87	89	90	94	77	82	*11*
101	99	100	100	91	101	102	101	96	87	88	91	93	79	83	*12*
101	99	100	100	91	101	102	101	97	86	88	90	90	79	85	*13*
101	99	100	100	91	101	102	101	97	83	89	90	90	80	87	*14*
102	99	100	100	91	101	101	101	97	80	89	90	91	80	92	*15*
102	99	100	99	91	101	100	101	97	79	89	90	90	81	92	*16*
102	99	100	99	91	101	100	101	97	79	89	90	90	85	90	*17*
102	99	100	99	91	101	100	101	97	79	88	92	90	83	90	*18*
102	99	100	99	91	101	100	101	97	79	86	92	90	83	90	*19*
102	99	100	99	91	101	100	101	98	78	86	92	90	84	89	*20*
102	99	99	99	91	101	100	101	97	79	87	92	90	83	89	*21*
102	99	99	99	91	101	101	101	96	79	87	92	90	84	89	*22*
102	99	99	99	91	101	101	101	96	80	87	92	91	84	89	*23*
102	99	99	99	91	101	101	101	96	80	86	93	91	85	88	*24*
102	99	99	99	91	101	101	101	96	80	86	93	89	85	86	*25*
102	98	99	99	91	101	101	101	96	79	87	93	90	85	87	*26*
102	98	99	99	91	101	102	101	96	80	87	92	90	86	87	*27*
103	98	99	99	91	101	102	101	95	80	87	91	90	86	87	*28*
103	98	99	99	91	101	102	101	95	80	87	91	89	86	87	*29*
103	98	99	98	91	101	102	101	95	80	86	90	88	86	87	*30*
103	98	99	99	91	101	102	101	94	80	83	90	88	86	85	*31*
+1.0	*—1.0*	*—1.0*	—	—	—	*+2.0*	—	*—3.1*	*+1.3*	*—3.5*	*—2.2*	*—2.2*	*+3.6*	*—5.6*	*32*

STATE

Average of weeks	Sub Group Indices of Preference Shares (Fixed Dividend Industrial Securities)—*Contd.*		SUB-GROUP INDICES OF					
	Plantations	Miscellaneous	Banks	Insurance	Investment Trust	Electricity and Tramways	Shipping and other Transport	Railways
	23	24	25	26	27	28	29	30
(*Base* : *1938 = 100*)								
1 1950-51	112		123	124	163	89	94	92
2 1951-52	109		116	112	149	90	99	87
3 1952-53	101		103	100	139	83	86	75
(*Base* : *1949-50 = 100*)								
4 1952-53	90		85	98	75	115	88	82
5 1953-54	88	85	86	97	75	116	94	82
6 1954-55	94	87	87	108	90	123	108	88
7 1955-56	100	85	88	103	93	123	106	89
8 April 1954 ..	90	86	86	102	78	119	108	86
9 May ,, ..	91	87	86	101	78	119	105	88
10 June ,, ..	92	87	86	103	83	119	108	86
11 July ,, ..	91	88	87	107	89	121	114	88
12 August ,, ..	93	89	88	111	93	124	122	89
13 September ,, ..	94	87	89	113	96	128	121	90
14 October ,, ..	95	88	88	110	96	128	113	90
15 November ,, ..	96	88	86	108	94	125	104	90
16 December ,, ..	96	87	85	109	94	124	97	88
17 January 1955 ..	96	87	86	110	96	124	101	88
18 February ,, ..	98	88	86	109	95	124	101	88
19 March ,, ..	98	86	85	109	93	124	99	88
20 April ,, ..	98	86	85	107	94	124	99	89
21 May ,, ..	98	86	85	107	89	122	98	89
22 June ,, ..	99	85	85	106	87	122	96	87
23 July ,, ..	98	85	85	108	87	122	98	87
24 August ,, ..	99	85	88	106	91	123	102	89
25 September ,, ..	100	85	87	107	94	124	104	89
26 October ,, ..	100	84	88	107	95	127	115	87
27 November ,, ..	101	85	91	108	98	126	117	89
28 December ,, ..	102	85	94	103	100	123	116	91
29 January 1956 ..	102	85	93	99	97	121	114	92
30 February ,, ..	101	84	89	91	95	119	107	91
31 March ,, ..	102	82	89	88	95	118	111	89
32 Percentage Variation of March 1956 over March 1955 ..	*+4.1*	*—4.7*	*+4.7*	*—19.3*	*+2.2*	*—4.8*	*+12.1*	*+1.1*

MENT 46—(*Contd.*)

VARIABLE DIVIDEND INDUSTRIAL SECURITIES

Planta-tions	Cotton, Woollen and Silk Mills	Jute Mills	Coal	Mining and Oil	Iron and Steel	General Engi-neering	Sugar*	Bre-weries	Chemi-cals	Paper	Cement	
31	32	33	34	35	36	37	38	39	40	41	42	
153	158	93	121	72	160	176	101	102	173	114	136	*1*
177	169	100	126	77	163	172	97	84	176	128	144	*2*
127	135	78	91	63	131	140	84	60	135	114	141	*3*
89	94	91	84	120	97	101	85		94	151	113	*4*
92	96	82	78	132	107	113	85		99	159	116	*5*
156	107	93	82	186	140	156	101		132	211	141	*6*
185	118	95	81	235	154	189	105		144	256	164	*7*
111	103	82	77	164	128	139	91		113	192	127	*8*
114	103	82	78	164	128	139	92		113	193	126	*9*
128	105	84	81	178	133	143	94		117	200	130	*10*
136	107	88	84	175	138	151	96		127	210	134	*11*
156	114	97	86	193	145	164	103		137	226	142	*12*
166	115	103	88	206	151	169	106		145	228	154	*13*
164	113	100	85	193	145	164	105		142	221	150	*14*
169	110	96	82	191	144	160	105		140	215	148	*15*
171	106	98	80	186	138	156	105		138	211	145	*16*
180	105	100	81	193	140	158	106		138	214	141	*17*
188	104	96	81	192	140	162	106		138	212	147	*18*
193	104	98	79	197	148	168	103		136	219	148	*19*
200	104	99	77	189	146	170	99		134	225	148	*20*
178	104	96	77	183	141	168	97		130	224	147	*21*
182	105	95	78	193	140	168	97		130	223	146	*22*
191	110	98	80	218	152	180	100		138	232	155	*23*
192	114	107	83	237	163	190	104		141	242	162	*24*
199	115	102	83	247	160	190	105		142	237	162	*25*
190	121	96	80	249	161	191	108		145	244	170	*26*
189	129	95	80	272	174	205	111		158	280	180	*27*
181	131	94	84	271	170	211	112		160	300	185	*28*
170	127	91	86	259	156	203	109		153	289	176	*29*
167	123	90	84	246	142	197	106		148	281	167	*30*
172	129	83	82	256	145	194	108		150	288	173	*31*
—10.9	*+24.0*	*—15.3*	*+3.8*	*+29.9*	*—2.0*	*+15.5*	*+4.9*		*+10.3*	*+31.5*	*+16.9*	*32*

* Sugar and Breweries in the case of the new series.

STATE

ALL-INDIA AND REGIONAL INDICES

Base :

(Compiled by the Department of Research

1955-56		Government and Semi-Government Securities				Deben-	
	Average for the Week ended	All-India	Bombay	Calcutta	Madras	All-India	Bombay
	1955	1	2	3	4	5	6
1	April 2	90.6	90.0	90.5	90.9	100.6	99.1
2	„ 9	90.5	90.0	90.4	90.8	100.6	99.1
3	„ 16	90.5	90.0	90.4	90.8	100.6	99.1
4	„ 23	90.5	90.0	90.5	90.8	100.6	99.2
5	„ 30	90.6	90.1	90.5	90.9	100.6	99.2
6	May 7	90.6	90.1	90.6	90.9	100.6	99.2
7	„ 14	90.7	90.1	90.6	91.0	100.7	99.2
8	„ 21	90.7	90.2	90.6	91.0	100.7	99.2
9	„ 28	90.8	90.3	90.6	91.1	100.7	99.2
10	June 4	90.8	90.2	90.7	91.1	100.5	99.2
11	„ 11	90.8	90.3	90.7	91.1	100.5	99.3
12	„ 18	90.8	90.3	90.7	91.1	100.5	99.5
13	„ 25	90.9	90.4	90.8	91.2	100.8	99.5
14	July 2	90.9	90.4	90.8	91.2	100.7	99.5
15	„ 9	90.9	90.4	90.8	91.2	100.7	99.5
16	„ 16	90.9	90.4	90.8	91.2	100.8	99.5
17	„ 23	90.9	90.4	90.8	91.2	100.8	99.5
18	„ 30	90.9	90.4	90.8	91.2	100.7	99.5
19	August 6	90.9	90.4	90.8	91.2	100.7	99.5
20	„ 13	90.9	90.4	90.8	91.2	100.7	99.5
21	„ 20	90.9	90.4	90.8	91.1	100.7	99.5
22	„ 27	90.9	90.3	90.8	91.2	100.7	99.5
23	September 3	90.9	90.3	90.8	91.2	100.7	99.5
24	„ 10	90.8	90.3	90.8	91.1	100.7	99.5
25	„ 17	90.8	90.3	90.8	91.1	100.7	99.5
26	„ 24	90.9	90.4	90.8	91.2	100.7	99.5
27	October 1	90.9	90.4	90.8	91.2	100.7	99.5
28	„ 8	91.0	90.5	90.9	91.3	100.7	99.5
29	„ 15	91.0	90.5	90.9	91.3	100.7	99.5
30	„ 22	91.0	90.5	90.9	91.3	100.8	99.5
31	„ 29	91.0	90.5	*	91.3	100.7	99.5
32	November 5	91.0	90.5	90.9	91.3	100.8	99.8
33	„ 12	91.0	90.5	90.9	91.4	101.0	100.0
34	„ 19	91.0	90.5	90.9	91.4	101.1	100.0
35	„ 26	91.0	90.5	90.9	91.3	101.1	100.1
36	December 3	91.0	90.5	90.9	91.3	101.1	100.2
37	„ 10	91.0	90.5	91.0	91.3	101.0	100.2
38	„ 17	91.0	90.5	91.0	91.3	101.0	100.2
39	„ 24	91.0	90.5	91.0	91.3	101.0	100.2
40	„ 31	91.1	*	91.0	91.4	101.1	*
	1956						
41	January 7	91.1	90.6	91.1	91.4	101.1	100.2
42	„ 14	91.1	90.6	91.1	91.4	101.1	100.2
43	„ 21	91.1	90.6	91.0	91.4	101.1	100.2
44	„ 28	91.1	90.6	91.1	91.4	101.1	100.2
45	February 4	91.2	90.7	91.1	91.5	101.1	100.2
46	„ 11	91.3	90.8	91.2	91.5	101.1	100.2
47	„ 18	91.3	90.8	91.3	91.6	101.2	100.2
48	„ 25	91.3	90.7	91.3	91.5	101.0	100.1
49	March 3	90.9	90.4	90.9	91.2	101.1	100.0
50	„ 10	90.8	90.2	90.8	91.0	101.1	100.0
51	„ 17	90.9	90.3	90.9	91.1	101.1	100.0
52	„ 24	90.9	90.4	90.9	91.2	101.1	100.0
53	„ 31	90.9	90.3	90.8	91.2	101.1	100.0

Market closed.

MENT 47

(WEEKLY) OF SECURITY PRICES

1949-50 = 100

and Statistics of the Reserve Bank of India)

tures		Preference Shares (Fixed Dividend Industrial Securities)				Variable Dividend Industrial Securities				
Calcutta	Madras	All-India	Bombay	Calcutta	Madras	All-India	Bombay	Calcutta	Madras	
7	8	9	10	11	12	13	14	15	16	
101.3	100.4	87.5	91.8	83.3	94.2	115.6	118.1	109.6	110.6	*1*
101.3	100.4	87.3	91.9	83.0	94.4	115.8	117.5	110.3	110.3	*2*
101.3	100.4	87.3	91.9	82.9	94.8	115.7	116.7	110.5	110.2	*3*
101.3	100.4	87.6	91.8	83.4	95.4	115.1	116.6	109.9	110.0	*4*
101.3	100.5	87.8	92.2	83.5	95.4	114.7	116.4	109.3	109.9	*5*
101.3	100.4	88.0	92.4	83.6	95.4	113.8	116.0	108.2	109.4	*6*
101.4	100.4	87.8	92.1	83.5	95.4	113.0	115.4	107.5	108.5	*7*
101.5	100.4	87.6	91.7	83.4	95.6	112.4	115.1	106.9	108.2	*8*
101.5	100.2	87.6	91.5	83.5	95.5	112.3	114.6	106.7	108.6	*9*
101.2	100.2	87.6	91.4	83.5	95.5	111.9	113.5	106.4	109.2	*10*
101.1	100.2	87.5	91.4	83.3	95.5	112.5	113.9	106.7	111.0	*11*
101.1	100.2	87.5	91.4	83.4	95.6	113.9	115.9	107.6	111.4	*12*
101.6	100.3	87.7	91.4	83.5	95.9	114.3	115.4	108.4	111.3	*13*
101.4	100.3	87.6	91.6	83.6	94.8	115.6	117.3	109.2	111.9	*14*
101.4	100.3	87.7	91.9	83.6	95.0	116.9	118.4	110.6	113.1	*15*
101.6	100.3	88.0	92.2	83.8	95.2	118.6	120.1	112.3	113.7	*16*
101.6	100.3	87.9	92.5	83.6	94.9	118.7	120.3	112.1	113.9	*17*
101.5	100.1	87.9	92.5	83.5	94.9	119.8	122.1	112.7	115.1	*18*
101.5	100.1	87.8	92.4	83.4	95.1	121.4	123.7	114.5	115.6	*19*
101.6	100.1	87.8	92.3	83.4	95.4	122.0	123.6	115.5	116.5	*20*
101.6	100.1	87.7	92.3	83.2	95.3	122.9	125.2	115.7	117.6	*21*
101.5	100.1	87.7	92.1	83.3	95.9	124.4	126.4	117.1	119.3	*22*
101.4	100.1	87.5	91.5	83.2	95.7	123.9	125.0	117.2	118.4	*23*
101.4	100.1	87.3	91.0	83.2	95.6	122.5	123.4	115.9	117.9	*24*
101.5	100.2	87.0	90.0	83.2	95.9	122.3	124.0	115.2	117.9	*25*
101.5	100.2	87.1	90.1	83.2	96.0	122.2	124.1	114.9	117.7	*26*
101.5	100.2	87.3	91.0	83.3	95.6	122.3	125.1	114.6	117.7	*27*
101.5	100.2	87.5	91.3	83.3	95.6	123.5	128.9	114.4	118.4	*28*
101.5	100.2	87.2	91.1	82.9	95.6	124.1	130.4	114.2	119.7	*29*
101.5	100.3	87.0	91.4	82.4	95.8	125.4	133.6	114.2	121.8	*30*
*	100.2	87.2	91.7	*	96.0	127.0	136.9	*	123.4	*31*
101.5	100.3	87.5	91.2	83.2	96.1	128.0	136.7	115.8	124.1	*32*
101.8	100.3	87.5	91.0	83.1	97.2	129.0	137.2	117.1	124.3	*33*
101.8	100.3	87.9	91.3	83.5	98.3	130.8	138.8	119.1	125.2	*34*
101.8	100.2	87.9	91.2	83.4	98.4	131.9	140.1	120.2	125.5	*35*
101.8	100.2	87.8	91.3	83.3	98.3	131.4	139.1	120.5	125.2	*36*
101.8	100.1	87.8	91.2	83.3	98.5	131.0	137.4	121.1	124.4	*37*
101.8	100.1	87.8	91.1	83.5	98.1	131.7	138.7	121.2	125.7	*38*
101.8	100.1	87.7	91.0	83.4	98.3	130.2	136.9	119.8	125.2	*39*
101.9	100.1	87.6	*	83.2	98.1	128.9	*	117.9	124.4	*40*
101.9	100.1	87.5	90.6	83.1	98.1	126.8	132.4	116.9	124.2	*41*
101.9	100.1	87.3	90.5	83.1	97.4	126.8	132.4	117.2	123.5	*42*
101.9	100.1	87.2	90.4	83.1	97.1	125.8	130.3	116.9	122.2	*43*
101.9	100.1	87.1	90.0	83.1	96.7	123.6	126.8	115.8	121.4	*44*
101.9	100.1	87.0	89.7	83.2	96.7	121.9	123.3	115.3	119.7	*45*
101.9	100.1	87.0	89.6	83.1	96.7	121.4	123.1	114.6	120.2	*46*
102.1	100.1	86.8	89.4	83.0	96.7	120.5	122.8	113.0	120.2	*47*
102.1	99.5	85.9	88.8	81.7	96.5	120.1	123.0	111.7	120.6	*48*
102.1	100.1	85.7	88.8	81.4	96.6	120.2	122.7	111.9	121.3	*49*
102.1	100.1	85.9	89.2	81.5	96.7	121.1	125.1	111.5	123.2	*50*
102.1	100.1	85.9	89.3	81.3	96.9	122.4	128.5	111.3	125.1	*51*
102.1	100.1	85.8	89.8	80.7	97.0	123.6	129.8	112.3	126.8	*52*
102.1	100.1	85.7	90.2	80.3	97.0	124.6	131.5	112.7	126.8	*53*

STATEMENT 48

CONTROL OF CAPITAL ISSUES, 1955

(Amount in Crores of Rupees)

Classification	Applications*		Consents											
							Further							
			Total		Initial		Others@		Debentures		Miscellaneous (Loans)etc.†		Bonus	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Industrial	226	120.51	176	97.51	60	43.11	60	25.01	20	16.05	7	9.01	29	4.34
Non-Industrial	148	30.91	113	27.88	16	3.79	20	2.47	3	1.28	18	18.21	56	2.13
(*a*) Agricultural ..	55	4.45	46	3.18	7	0.73	2	0.65	..	0.28	1	0.10	36	1.42
(*b*) Financial ..	36	2.70	24	1.93	2	0.50	14	0.91	1	0.25	2	0.08	5	0.19
(*c*) Trade & Transport	49	21.65	37	20.83	6	1.56	4	0.90	—	—	15	18.03	12	0.34
(*d*) Miscellaneous ..	8	2.11	6	1.94	1	1.00	—	—	2	0.75	—	—	3	0.19
Total for 1955	**374**	**151.42**	**289**	**125.39** (*82.8*)	**76**	**46.90**	**80**	**27.48**	**23**	**17.33**	**25**	**27.22**	**85**	**6.47**
" " 1954	**267**	**116.98**	**220**	**110.57** (*94.5*)	**74**	**57.94**	**49**	**16.49**	**24**	**20.29**	**18**	**5.96**	**55**	**9.88**
" " 1953	**272**	**89.79**	**232**	**81.39** (*90.6*)	**31**	**18.34**	**97**	**34.42**	**20**	**13.92**	..	..	**84**	**14.72**
" " 1952	**326**	**152.33**	**254**	**39.79** (*26.1*)	**23**	**12.69**	**121**	**17.57**	**9**	**1.75**	..	..	**101**	**7.77**
" " 1951	**410**	**68.32**	**343**	**59.56** (*87.2*)	**46**	**21.60**	**153**	**23.27**	**16**	**3.92**	..	..	**128**	**10.77**
" " 1950	**320**	**84.93**	**263**	**74.75** (*87.9*)	**47**	**13.69**	**98**	**41.59**	**25**	**10.93**	..	..	**93**	**8.54**

Note :—Figures in brackets represent consents as percentages of the total amount applied for.

* Figures relate only to applications disposed of and not to applications received.

@ Include ordinary and preference shares during 1950-55 and miscellaneous (loans) etc. during 1950-53.

† Loans raised by companies by creating a charge or lien on the assets of their property.

STATEMENT 49

ASSETS AND LIABILITIES OF THE INDUSTRIAL FINANCE CORPORATION OF INDIA

(Lakhs of Rupees)

Liabilities

	As on Last Friday of 1950-51	1951-52	1952-53	1953-54	1954-55	1955-56
1. Capital Issued and Paid-up ..	5,00.00	5,00.00	5,00.00	5,00.00	5,00.00	5,00.00
2. Reserve Fund						
(a) Special Reserve Fund under Sec. 32A(1) of the I.F.C. Act ..	—	—	—	—	9.12	13.68
(b) Other Reserves ..	1.00	2.00	3.00	10.06	5.50	5.50
3. Reserve for doubtful debts .	—	—	—	—	5.00	20.00
4. Provision for Taxation ..	—	—	—	18.01	9.80	9.53
5. Bonds and Debentures ..	5,30.00	5,80.50	5,80.50	7,80.50	7,80.50	7,80.50
6. Borrowings from Reserve Bank of India..	—	—	—	29.50*	—	61.25@
7. Borrowings in Foreign Currency ..	—	—	—	—	—	—
8. Fixed Deposits.	—	—	—	—	—	—
9. Contingent Liabilities under Guarantees and Underwriting Agreements Per Contra ..	—	—	—	—	—	—
10. Other Liabilities	36.79	40.44	60.52	46.24	52.15	79.75
Total ..	**10,67.79**	**11,22.94**	**11,44.02**	**13,84.31**	**13,62.08**	**14,70.21**

Assets

	As on Last Friday of 1950-51	1951-52	1952-53	1953-54	1954-55	1955-56
1. Cash in hand and with Bankers ..	47.28	55.08	25.60	5.45	23.47	1.70
2. Investments in Government Securities ..	4,58.33	3,58.27	2,00.38	2,00.38	—	—
3. Loans and Advances ..	5,20.79	6,55.42	8,61.67	11,19.58	12,78.18	14,01.20
4. Debentures ..	—	—	—	—	—	—
5. Guarantees and Underwriting Agreements Per Contra ..	—	—	—	—	—	—
6. Other Assets ..	41.39	54.17	56.37	58.90	60.43	67.32
Total ..	**10,67.79**	**11,22.94**	**11,44.02**	**13,84.31**	**13,62.08**	**14,70.21**

Note.—The accounting year of the Corporation is from July 1 to June 30; however, the figures given here are as on the last Friday of March.

* Under Section 21(3)(*a*) of the Industrial Finance Corporation Act, 1948 (as amended).

@ Under Section 21(3)(*b*) of the Industrial Finance Corporation Act, 1948 (as amended).

STATEMENT 50

OPERATIONS OF STATE FINANCIAL CORPORATIONS

(Lakhs of Rupees)

Corporation**	Capital as on 31-3-1956	Loans sanctioned during			Loans disbursed during			Loans outstanding at the end of March			Assets as at the end of March 1956	
		1953-54	1954-55	1955-56	1953-54	1954-55	1955-56	1954	1955	1956	Other than Loans	Total
1. Punjab ..	1,00.00	28.52	20.77	39.57	8.84	15.20	19.33	8.55	22.11	39.15	68·13	1,07.28
2. Bombay ..	1,00.00	—	68.37	79.86	—	30.17	32.54	—	30.17	60.46	43·71	1,04.17
3. Saurashtra@ ..	1,00.00	—	15.40	28.05	—	6.10	17.55	—	6.17	24.23	82·66	1,06.89
4. Travancore-Cochin ..	1,00.00	—	37.16	43.25	—	33.91	28.39	—	33.91	61.88	43·34	1,05.22
5. West Bengal ..	1,00.00		14.50	28.78		9.50	14.00		9.52	23.00	82·01	1,05.01
6. Hyderabad* ..	1,00.00		38.56	4.58		19.64*	6.50		19.64	23.36	82·41	1,05.77
7. Assam ..	1,00.00		3.15	34.25		—	26.42		—	26.42	77·75	1,04.17
8. Rajasthan ..	1,00.00			7.28			1.85			1.85	1,00·29	1,02.14
9. Madhya Bharat ..	1,00.00			5.50			—			—	77·68	77.68
10. Andhra ..	50.00			—			—			8.02†	42·12	50.14
11. Uttar Pradesh ..	50.00			21.12			3.59			3.60	65·65	69.25
12. Bihar ..	50.00			10.55			3.85			3.85	46·67	50.52
Total ..	**10,50.00**	**28.52**	**1,97.91**	**3,02.79**	**8.84**	**1,14.52**	**1,54.02**	**8.55**	**1,21.52**	**2,75.82**	**8,12·42**	**10,88.24**

@ The Corporation also subscribed for debentures to the extent of Rs. 3.75 lakhs during 1955-56.

* The Corporation also subscribed to the 7 per cent First Mortgage Debentures of a cotton mill for Rs. 10 lakhs, out of which debentures to the extent of Rs. 7 lakhs were subscribed to during 1954-55 and the balance of Rs. 3 lakhs during 1955-56.

† Loans transferred from the Madras Industrial Investment Corporation.

** The Orissa State Financial Corporation had not issued any capital up to March 31, 1956.

STATEMENT 51

PRICES OF GOLD AND SOVEREIGNS IN BOMBAY (ANNUAL AND MONTHLY)

		Gold (per fine tola)												Sovereigns			Estimated Floating Stocks of gold in Bombay (d) (Tolas)
		SPOT			FORWARD (a)			SPOT			
		Highest Rs. a. p.	Lowest Rs. a. p.	Average(b) Rs. a. p.	Highest Rs. a. p.	Lowest Rs. a. p.	Average(b) Rs. a. p.	Highest(c) Rs. a. p.	Lowest(c) Rs. a. p.	Average(b) Rs. a. p.	
1950-51	..	120 2 0	104 12 0	113 7 4	118 14 0	104 8 0	113 3 5	78 4 0	73 13 0	76 0 9	77,308
1951-52	..	118 10 0	79 8 0	109 1 1	118 7 0	95 0 0	110 14 10	80 0 0	61 0 0	76 2 7	69,173
1952-53	..	95 14 0	77 5 0	88 0 1	93 6 0	76 14 0	86 12 7	66 4 0	55 0 0	61 4 6	38,327
1953-54	..	93 6 0	79 8 0	86 1 6	91 7 0	79 1 0	85 8 5	59 4 0	55 8 0	57 5 8	25,942
1954-55	..	95 6 0	83 0 0	89 2 4	94 7 0	81 11 0	88 7 2	61 10 0	56 12 0	58 7 6	29,673
1955-56	..	107 1 0	89 6 6	95 13 8	106 15 0	86 2 0	94 4 9	66 12 0	59 0 0	61 4 8	22,528
April 1955	..	98 14 0	92 11 6	95 15 1	96 10 0	90 11 6	93 2 7	62 0 0	59 4 0	60 9 10	15,200
May "	..	97 15 0	89 6 6	93 8 1	96 5 0	86 2 0	90 0 6	62 0 0	59 0 0	60 11 5	13,750
une "	..	94 15 0	92 4 0	93 10 10	93 8 6	87 8 0	90 4 10	61 2 0	60 6 0	60 12 7	13,750
uly "	..	95 4 0	93 6 0	94 5 2	94 9 0	90 13 0	92 5 2	60 12 0	60 6 0	60 9 4	14,400
August "	..	96 8 0	94 6 0	95 2 2	92 3 6	92 2 0	92 3 0	61 12 0	60 11 0	61 4 4	13,000
September "	..	96 0 0	93 8 0	94 14 6				61 11 0	61 2 0	61 7 7	17,000
October "	..	96 4 0	93 10 0	94 12 9	96 8 0	94 10 0	95 10 8	61 6 0	60 4 0	60 11 2	18,500
November "	..	98 9 0	94 14 6	96 6 8	99 2 0	95 4 6	97 0 1	62 14 0	61 0 0	61 13 4	22,000
December "	..	96 2 0	92 11 0	94 2 2	96 12 0	93 1 0	94 7 8	62 0 0	59 8 0	60 2 0	50,200
anuary 1956	..	96 14 0	94 9 0	95 9 0	97 6 0	94 9 0	96 0 1	61 4 0	60 4 0	60 10 5	33,750
February "	..	102 7 0	94 6 0	97 13 4	101 15 0	94 7 0	97 13 6	63 12 0	60 12 0	61 12 8	30,750
March "	..	107 1 0	98 10 6	103 8 1	106 15 0	98 4 6	103 9 11	66 12 0	63 0 0	64 12 7	25,600

Note.—Import duty per tola was Rs. 12-8-0 upto the end of February 1951 and thereafter Rs. 13-2-0; the rise is accounted for by the levy of a surcharge of 5 per cent.

(*a*) Monthly settlements. In arriving at the highest, lowest and average prices, all settlement rates have been taken into account. The forward market was closed during the period July 12 to 21 and early August to October 23, 1955. (*b*) Average of closing quotations on working days. (*c*) Figures relate to closing prices on working days. (*d*) Average of week-end stocks.

STATEMENT 52

PRICES (WEEKLY) OF GOLD AND SILVER AND ESTIMATED STOCKS IN BOMBAY, 1955-56

1955-56 As at the close of			Gold				Silver*			
			Spot	Forward†	Premium(+) or Discount (—) of Spot over Forward	Estimated Floating Stocks	Spot	Forward†	Premium(+) or Discount (—) of Spot over Forward	Estimated Floating Stocks
			(Per fine tola)			(Tolas)	(Per 100 tolas)			(In bars of 2,800 tolas)
1955			Rs. a.	Rs. a.	Rs. a.		Rs. a.	Rs. a.	Rs. a.	
April	1@	..	93 0	92 6	+0 10	20,000	166 2	165 4	+0 14	1,400
"	8	..	94 10	93 14	+0 12	17,000	166 3	165 9	+0 10	1,200
"	15	..	95 15	93 15	+2 0	15,000	166 5	163 5	+3 0	1,000
"	22	..	96 8	94 8	+2 0	13,000	167 0	163 8	+3 8	450
"	29	..	97 14	95 10	+2 4	11,000	169 8	166 8	+3 0	400
May	6	..	95 10	95 6	+0 4	11,000	168 4	168 9	—0 5	400
"	13	..	91 11½	89 13½	+1 14	15,000	162 15	159 7	+3 8	500
"	20	..	92 10	90 2	+2 8	14,000	162 10	159 10	+3 0	500
"	27	..	94 3	91 7	+2 12	15,000	160 9	160 1	+0 8	600
June	3	..	92 13	91 13	+1 0	14,000	161 1	161 7	—0 6	600
"	10‡	..	93 3	89 15	+3 4	11,000	156 13	153 5	+3 8	1,300
"	17	..	92 14	90 14	+2 0	16,000	155 5	155 5	—	1,100
"	24	..	93 8	91 12	+1 12	14,000	156 1	156 3	—0 2	800
July	1	..	93 10½	93 0½	+0 10	15,000	159 3	159 5	—0 2	1,000
"	8	..	93 11½	91 13½	+1 14	16,000	158 12	158 14	—0 2	1,300
"	15	..				18,000				1,300
"	22	..	94 6	91 14	+2 8	12,000	159 5	158 9	+0 12	1,300
"	29	..	95 4	92 4	+3 0	11,000	161 4	159 4	+2 0	1,100
August	5	..	94 9			11,000	161 6			1,100
"	12	..	94 12			10,000	160 12			1,000
"	19	..	95 2			14,000	162 0			800
"	26	..	95 11			17,000	165 12			700

September	2	..	93 10			15,000	163 4			700
„	9	..	94 13			17,000	165 8			900
„	16	..	95 10			20,000	166 6			700
„	23	..	95 2			14,000	166 0			700
„	30‡	..	95 6			19,000	169 4			600
October	7	..	94 8			23,000	168 10			500
„	14	..	94 6			18,000	167 0			700
„	21	..	94 12			18,000	170 0			600
„	28	..	95 6	95 12	—0 6	15,000	168 8	169 6	—0 14	600
November	4	..	95 2	95 8	—0 6	18,000	168 2	168 11	—0 9	600
„	11	..	95 7	95 12	—0 5	19,000	170 3	170 15	—0 12	900
„	18	..	96 10	96 12	—0 2	24,000	171 1	171 11	—0 10	800
„	25	..	97 7	97 6	+0 1	27,000	174 8	174 14	—0 6	900
December	2	..	94 8	95 2	—0 10	36,000	172 4	173 10	—1 6	1,100
„	9	..	93 12	94 1	—0 5	40,000	172 9	173 7	—0 14	1,400
„	16	..	94 13½	95 2½	—0 5	46,000	172 11	173 4	—0 9	1,400
„	23	..	94 4	94 4	—	60,000	173 2	173 4	—0 2	1,400
„	30	..	94 2	93 14½	+0 3½	69,000	172 0	172 0	—	1,600
1956										
January	6	..	95 1	95 11	—0 10	30,000	175 3	175 13	—0 10	1,600
„	13	..	95 3	95 11	—0 8	35,000	176 2	176 15	—0 13	1,600
„	20‡	..	95 5	95 9	—0 4	40,000	176 11	177 5	—0 10	1,700
„	27	..	95 9	95 3½	+0 5½	30,000	175 4	175 9	—0 5	1,500
February	3	..	94 8	94 10	—0 2	38,000	173 0	173 12	—0 12	1,300
„	10	..	96 8	96 6	+0 2	32,000	174 2	174 10	—0 8	1,400
„	17	..	97 11½	97 5½	+0 6	26,000	174 3	174 7	—0 4	1,200
„	24	..	99 10	99 5	+0 5	27,000	174 8	174 7	+0 1	900
March	2	..	99 14½	99 4½	+0 10	21,000	173 11	174 3	—0 8	1,000
,	9	..	101 4½	100 9½	+0 11	25,000	175 14	176 0	—0 2	900
„	16	..	103 8	103 4	+0 4	27,000	178 3	178 3	—	800
„	23	..	105 7	105 5	+0 2	28,000	181 12	181 8	+0 4	900
„	30	..	105 13	105 13	—	27,000	181 13	182 5	—0 8	900

Note.—The forward market was closed during the period July 12 to 21 and early August to October 23, 1955.

* Spot quotations for silver relate to .9900—.9959 fineness. † Monthly settlements. When two or three settlements run during one week, the quotation for the first settlement only is shown. @ As on April 2. ‡ Market closed ; preceding working day's quotations given.

STATEMENT 53

PRICES* OF SILVER IN BOMBAY (ANNUAL AND MONTHLY)

(Per 100 tolas)

		Spot			Forward (b)			Estimated Floating Stocks in Bombay (c) (in bars of 2,800 tolas)
		Highest Rs. a. p.	Lowest Rs. a. p.	Average (d) Rs. a. p.	Highest Rs. a. p.	Lowest Rs. a. p.	Average (d) Rs. a. p.	
1950-51	..	198 12 0	173 14 0	185 14 3	197 4 0	173 7 0	184 11 10	3,727
1951-52	..	207 4 0	142 0 0	188 4 3	207 0 0	176 4 0	192 4 2	4,456
1952-53	..	174 12 0	141 12 0	159 8 4	171 14 0	140 10 0	157 6 6	2,127
1953-54	..	167 14 0	148 14 0	157 4 10	169 8 0	147 6 0	157 0 1	2,106
		169 2 0	149 14 0	159 13 6				
1954-55	..	173 14 0	147 15 0	159 3 9	174 4 0	148 7 0	159 1 4	2,175
1955-56	..	183 13 0	154 12 0	168 11 6	184 7 0	149 10 0	166 11 8	975
April 1955	..	171 2 0	165 1 0	167 2 2	168 0 0	157 12 0	162 3 11	890
May "	..	169 6 0	160 2 0	164 3 2	169 0 0	149 10 0	157 12 0	500
June "	..	164 0 0	154 12 0	158 5 4	164 7 0	151 11 0	156 0 5	950
July "	..	164 12 0	158 1 0	160 8 4	165 0 0	157 10 0	159 11 6	1,200
August "	..	167 0 0	160 12 0	163 1 8	159 4 0	158 14 0	159 3 6	900
September "	..	170 0 0	163 0 0	165 13 11				720
October "	..	170 4 0	166 4 0	168 8 6	171 7 0	168 6 0	169 6 7	600
November "	..	176 10 0	167 6 0	171 8 6	177 14 0	168 4 0	173 1 0	800
December "	..	174 1 0	170 2 0	172 7 9	175 3 0	171 0 0	173 5 4	1,380
January 1956	..	178 4 0	173 2 0	176 1 9	179 14 0	173 1 0	177 2 2	1,600
February "	..	176 15 0	172 9 0	174 10 9	177 9 0	173 5 0	175 5 11	1,200
March "	..	183 13 0	172 12 0	178 10 9	184 7 0	173 4 0	179 11 0	900

Note.—Import duty per 100 tolas was Rs. 9-6 upto the end of February 1951 and thereafter Rs. 9-13-6; the rise is accounted for by the levy of a surcharge of 5 per cent.

*Spot quotations for silver relate to .999 fineness upto December 13, 1953 and thereafter to .9900—.9959 fineness. (*b*) Monthly settlements. In arriving at the highest, lowest and average prices, all settlement rates have been taken into account. The forward market was closed during the period July 12 to 21 and early August to October 23, 1955. (*c*) Average of week-end stocks. (*d*) Average of closing quotations on working days.

STATEMENT 54

ASSAYING AND REFINING OF GOLD AND SILVER AT THE INDIA GOVERNMENT MINTS

(Thousands of Tolas)

	Melting and Assaying at			Refining* at Bombay
	Bombay	Alipore	Total	
		GOLD		
1950-51	14	2,45†	2,59	18,64
1951-52	20	40‡	60	27,43
1952-53	2	26	28	24,11
1953-54	6	74	80	17,21
1954-55	18	57	75	13,39
1955-56	10	10	20	10,42
		SILVER		
1950-51	1,27	96,29†	97,56	16,50
1951-52	1,21	62,98‡	64,19	44,46
1952-53	40	62,15	62,55	28,92
1953-54	25	72,82	73,07	13,41
1954-55	41	73,26	73,67	8,19
1955-56	3	45,35	45,38	17

* The Calcutta and Alipore Mints did not undertake any refining work. † Figures relate to the Calcutta Mint. ‡ Includes figures in respect of the Calcutta Mint.

STATEMENT 55

QUANTITY AND VALUE OF IMPORTS AND EXPORTS OF GOLD AND SILVER

	IMPORTS		EXPORTS(*a*)		NET IMPORTS(+) OR EXPORTS(−)	
	Quantity in thousands of ounces	Value in lakhs of rupees	Quantity in thousands of ounces	Value in lakhs of rupees	Quantity in thousands of ounces	Value in lakhs of rupees
			GOLD			
1950-51 ..	7	21	1	4	6	17
1951-52 ..	40	1,16	—	1	40	1,15
1952-53 ..	1	2	—	—	1	2
1953-54 ..	1	2	—	—	1	2
1954-55 ..	3	7	1	2	2	4
1955-56 ..	4	9	—	1	3	8
			SILVER(*b*)			
1950-51 ..	66	3	—	—	66	3
1951-52 ..	1,67	9	—	—	1,66	9
1952-53 ..	1,28	5	—	—	1,28	5
1953-54 ..	1,42	6	1	—	1,41	6
1954-55 ..	—	—	—	—	—	—
1955-56 ..	—	—	5	—	−5	—

(*a*) Including re-exports. (*b*) Government of India rupee and half rupee coins are shown at face value.

STATEMENT 56

BUDGETARY POSITION OF THE GOVERNMENT OF INDIA

(Crores of Rupees)

	1950-51 (Accounts)	1951-52 (Accounts)	1952-53 (Accounts)	1953-54 (Accounts)	1954-55 (Accounts)	1955-56 (Revised)	1951-56 Total	1956-57 (Budget)
I. REVENUE ACCOUNT								
A. 1. **Revenue**	**410.66**	**515.36**	**435.11**	**415.98**	**456.13**	**501.67**	**2,324.25**	**493.60 (+33.79)a**
2. Tax Revenue	357.00	459.99	387.06	363.28	399.26	426.11	2,035.70	424.69 (+32.84)a
3. *(2) as percentage of (1)* ..	*86.9*	*89.3*	*89.0*	*87.3*	*87.5*	*84.9*	*87.6*	*86.8*
4. Non-Tax Revenue ..	53.66	55.37	48.05	52.70	56.87	75.56	288.55	68.91 (+0.95)a
B. 1. **Expenditure**	**351.44**	**387.27**	**396.18**	**407.48**	**422.62**	**489.36**	**2,102.91**	**545.43**
2. Defence (Net)	164.13	170.96	179.52	186.30	186.66	185.07	908.51	203.97
3. *(2) as percentage of (1)* ..	*46.7*	*44.1*	*47.3*	*45.7*	*44.2*	*37.8*	*43.2*	*37.4*
4. Civil Expenditure	187.31	216.31	216.66	221.18	235.96	304.29	1,194.40	341.46
C. **Surplus (+) or Deficit(—)** ..	**+59.22**	**+128.09**	**+ 38.93**	**+ 8.50**	**+ 33.51**	**+ 12.31**	**+221.34**	**—18.04b**
II. CAPITAL ACCOUNT								
A. **Receipts**	**59.09**	**53.94**	**29.95**	**117.36**	**314.23**	**445.05**	**960.53**	**663.58**
1. Permanent Debt (Net) ..	—	23.36	27.76	—	109.90	40.29	201.31	135.54
2. Other Debt (Net) ..	59.09	30.58	2.19	117.36	204.33	404.76	759.22	528.04b
B. **Disbursements**	**121.13**	**178.33**	**124.19**	**187.20**	**366.43**	**439.53**	**1,295.68**	**644.95**
1. Capital Outlay outside the Revenue Account (Net) ..	55.74	118.17	38.80	24.18	167.41	169.73	518.29	316.74
2. Redemption of Permanent Debt (Net)	7.76	—	—	38.55	—	—	38.55	—
3. Loans and Advances (Net)(c)	57.63	60.16	85.39	124.47	199.02	269.80	738.84	328.21
C. **Surplus (+) or Deficit (—)(d)** ..	**— 62.04**	**—124.39**	**— 94.24**	**— 69.84**	**— 52.20**	**+ 5.52**	**—335.15**	**+ 18.63**
II. MISCELLANEOUS (NET) ..	+ 15.26	— 2.79	— 8.23	+ 0.05	+ 13.21	+ 0.26	+ 2.50	— 0.18
V. **NET INCREASE (+) OR DECREASE (—) IN CASH BALANCE**	**+ 12.44**	**+ 0.91**	**— 63.54**	**— 61.29**	**— 5.48**	**+ 18.09**	**—111.31**	**+ 0.41**
(a) Opening Balance ..	149.50	161.78	162.68	99.14	37.49	32.01	161.78	50.10
(b) Closing „	161.94	162.69	99.14	37.85	32.01	50.10	50.10	50.51

Note.—Accounts are provisional. Budget Estimates for 1956-57 relate to those presented to the *Lok Sabha.*

(*a*) Effect of budget proposals and subsequent concessions. (*b*) Taking into account the effect of budget proposals and subsequent concessions.

(*c*) Includes the sale proceeds of American (Loan) wheat transferred to the Special Development Fund from 1951-52 onwards.

(*d*) Surplus or deficit under capital account is only formal as receipts from Treasury bills and sales of securities held in reserve have not been excluded.

STATEMENT 57

CONSOLIDATED BUDGETARY POSITION OF PART A AND PART B STATES (Crores of Rupees)

		1951-52 (Accounts)	1952-53 (Accounts)	1953-54 (Accounts)	1954-55 (Accounts)	1955-56 (Revised)	Total 1951-56	1956-57 (Budget)
I. REVENUE ACCOUNT								
Revenue	Part A States ..	3,04.8	3,18.2	3,47.0	3,68.1	4,20.8	17,58.9	4,26.1
	Part B States ..	1,00.5	1,02.0	1,06.6	1,16.4	1,18.5	5,44.0	1,28.3
	Total ..	**4,05.3**	**4,20.2**	**4,53.6**	**4,84.5**	**5,39.3**	**23,02.9**	**5,54.4**
Expenditure	Part A States ..	2,98.3	3,18.3	3,47.1	3,84.0	4,71.4	18,19.1	4,88.9
	Part B States ..	94.3	98.7	1,01.1	1,11.6	1,33.7	5,39.4	1,41.8
	Total ..	**3,92.6**	**4,17.0**	**4,48.2**	**4,95.6**	**6,05.1**	**23,58.5**	**6,30.7**
Surplus (+) or Deficit (—)	Part A States ..	+6.5	— 0.1	— 0.1	—15.9	—50.6	—60.2	—62.8
	Part B States ..	+6.2	+ 3.3	+ 5.5	+ 4.8	—15.2	+ 4.6	—13.5
	Total ..	**+12.7**	**+ 3.2**	**+ 5.4**	**—11.1**	**—65.8**	**—55.6**	**—76.3**
II. CAPITAL ACCOUNT								
Receipts*	Part A States ..	1,30.8	1,40.5	1,40.6	1,84.6	2,90.2	8,86.7	3,52.7
	Part B States ..	34.6	17.5	28.3	50.0	83.3	2,13.7	1,05.1
	Total ..	**1,65.4**	**1,58.0**	**1,68.9**	**2,34.6**	**3,73.5**	**11,00.4**	**4,57.8**
Disbursements	Part A States ..	1,46.8	1,27.5	1,41.0	1,60.2	2,75.4	8,50.9	3,41.0
	Part B States ..	42.1	23.0	35.4	49.3	82.7	2,32.5	1,00.4
	Total ..	**1,88.9**	**1,50.5**	**1,76.4**	**2,09.5**	**3,58.1**	**10,83.4**	**4,41.4**
Surplus (+) or Deficit (—)	Part A States ..	—16.0	+13.0	— 0.4	+24.4	+14.8	+35.8	+11.7
	Part B States ..	— 7.5	— 5.5	— 7.1	+ 0.7	+ 0.6	—18.8	+ 4.6
	Total ..	**—23.5**	**+ 7.5**	**— 7.5**	**+25.1**	**+15.4**	**+17.0**	**+16.3**
III. ADDITIONS TO (+) OR DECLINE IN (—) CASH BALANCES @								
	Part A States ..	— 9.5	+12.9	— 0.5	+ 8.5	—35.8	— 4.5	—51.1
	Part B States ..	— 1.3	— 2.2	— 1.6	+ 5.6	—14.5	—17.6	— 8.9
	Total ..	**—10.8**	**+10.7**	**— 2.1**	**+14.1**	**—50.3**	**—22.1**	**—60.0**
IV. OPENING BALANCE								
	Part A States ..	30.6	21.1	25.5	53.4	61.9	30.6	26.1
	Part B States ..	30.9	29.5	23.9	22.3	27.8	30.9	13.3
	Total	**61.5**	**50.6**	**49.4**	**75.8**	**89.7**	**61.5**	**39.4**
V. CLOSING BALANCE								
	Part A States ..	21.1	34.0	25.0	61.9	26.1	26.1	—25.0
	Part B States ..	29.6	27.3	22.3	27.9	13.3	13.3	4.4
	Total ..	**50.7**	**61.3**	**47.3**	**89.8**	**39.4**	**39.4**	**—20.6**

Note.—The decline in cash balances of both Part A and Part B States during the five year period 1951-56 is taken to be the difference between opening and closing balance for the period and differs from the total of individual years due to the inclusion of Budget estimates (actuals being not available) for Madras in 1953-54 and certain other discrepancies. For Part A States, closing balances in 1952-53 and 1953-54 do not agree with opening balances in 1953-54 and 1954-55 respectively, as the Budget estimates for the Composite State of Madras have been used in 1953-54.

* Including remittances (Net). @ Including Overdraft.

STATEMENT 58

REVENUE AND EXPENDITURE OF THE GOVERNMENT OF INDIA

(ON REVENUE ACCOUNT)

(Crores of Rupees)

	1950-51 (Accounts)	1951-52 (Accounts)	1952-53 (Accounts)	1953-54 (Accounts)	1954-55 (Accounts)	1955-56 (Budget)	1955-56 (Revised)	1956-57 (Budget)
Revenue								
(1) **Taxes on Income** (*i* + *ii*)	**125.70**	**134.74**	**128.25**	**107.09**	**103.64**	**116.73**	**118.54**	**126.65** (+7.94)(*a*)
(*i*) Taxes on Income other than Corporation Tax	132.73	146.19	141.43	122.84	122.26	133.93	133.86	138.16 (+3.20)(*a*)
Less : States' Share	47.52	52.86	56.98	57.29	55.95	56.97	55.16	53.35 (+1.66)(*a*)
Net Receipts	85.21	93.33	84.45	65.55	66.31	76.96	78.70	84.81 (+1.54)(*a*)
(*ii*) Corporation Tax	40.49	41.41	43.80	41.54	37.33	39.77	39.84	41.84 (+6.40)(*a*)
(2) **Taxes on Commodities and Services** (*i* + *ii* + *iii*)	**227.49**	**320.44**	**257.05**	**253.93**	**293.31**	**297.00**	**305.27**	**295.73** (+24.90)(*a*)
(*i*) Customs								
Imports	107.70	141.59	118.07	119.60	141.06	114.80	127.50	117.00
Exports	47.36	90.74	55.97	38.53	41.37	48.20	37.00	31.70
Other Revenue	6.37	4.76	4.59	3.55	4.76	3.00	3.50	4.10
Less : Refunds	—4.28	—5.40(*b*)	—4.88	—2.97	—2.33	—1.50	—3.00	—2.80
Net Receipts	157.15	231.69	173.75	158.71	184.86	164.50	165.00	150.00
(*ii*) Union Excise Duties	67.54	85.78	83.03	94.98	108.22	132.27	140.00	145.45 (+24.90)(*a*)
(*iii*) Other Taxes and Duties ..	2.80	2.97	0.27	0.24	0.23	0.23	0.27	0.28
(3) **Taxes on Property and Capital Transactions** (*i* + *ii* + *iii*)	**3.81**	**4.81**	**1.76**	**2.26**	**2.31**	**2.18**	**2.30**	**2.31**
(*i*) Estate Duty	—	—	—	—	0.81	3.00	2.00	2.50
Less : States' Share	—	—	—	—	0.57	2.79	1.87	2.32
Net Receipts	—	—	—	—	0.24	0.21	0.13	0.18
(*ii*) Stamps and Registration ..	1.81	1.93	1.33	1.50	1.62	1.51	1.72	1.67
(*iii*) Land Revenue	2.00	2.88	0.43	0.76	0.45	0.46	0.45	0.46
(4) **Total Tax Revenue** (1 + 2 + 3) ..	**357.00**	**459.99**	**387.06**	**363.28**	**399.26**	**415.91**	**426.11**	**424.69** (+32.84)(*a*)
(5) **Administrative Receipts**	**12.53**	**14.35**	**13.10**	**12.09**	**12.96**	**12.44**	**16.56**	**13.46**
(6) **Net Contributions of Public Undertakings**	**23.16**	**20.98**	**16.61**	**21.63**	**26.92**	**26.15**	**27.75**	**24.85** (+0.95)(*a*)
(*i*) Railways	6.50	6.93	7.11	6.95	6.68	6.15	6.17	6.57

	(*ii*) Posts and Telegraphs	3.98	3.43	1.87	2.40	2.60	0.70	2.27	0.65 (+0.95)(*a*)
	(*iii*) Currency and Mint	9.71	8.79	7.21	13.14	17.42	19.82	19.62	19.90
	(Profits of the Reserve Bank) ..	(9.91)	(8.34)	(7.50)	(12.50)	(17.50)	(20.00)	(20.00)	(20.00)
	(*iv*) Others (*c*)	2.97	1.83	0.42	—0.86	0.22	—0.52	—0.31	—2.27
(7)	**Other Revenue**	**13.17**	**14.17**	**12.83**	**12.80**	**10.72**	**20.19**	**24.16**	**21.42**
(8)	**Total Revenue** (4 + 5 + 6 + 7) ..	**405.86**	**509.49**	**429.60**	**409.80**	**449.86**	**474.69**	**494.58**	**484.42** (33.79)(*a*)
Expenditure :									
(9)	Direct Demands on Revenue (*d*) ..	10.24	12.87	27.84	26.24	26.44	29.61	29.51	31.73
	(Of which States' Share of Union Excise Duties)	—	—	(16.83)	(15.55)	(15.11)	(16.66)	(16.57)	(17.04)
(10)	Civil Administration (*e*)	21.29	24.10	23.30	26.74	30.63	35.05	35.19	38.39
(11)	Defence Services (Net)	164.13	170.96	179.52	186.30	186.66	202.68	185.07	203.97
(12)	Debt Services (*f*)	37.36	39.00	36.50	40.82	39.72	39.20	37.85	35.50
(13)	Pensions and Superannuation ..	6.99	8.55	7.84	8.60	8.87	9.13	8.99	8.83
(14)	Extra-ordinary Charges (*g*) ..	0.07	6.78	7.63	10.41	13.80	—	—	—
(15)	Miscellaneous (*h*)	44.28	54.78	38.25	20.71	18.68	32.11	49.12	49.39
(16)	Development Services (*i*) ..	39.50	42.49	41.72	51.53	58.17	105.06	97.14	127.10
(17)	Contributions and Miscellaneous Adjustments between Union and State Governments (*j*)	15.59	17.31	22.80	25.91	29.79	35.93	35.80	38.00
(18)	Other Expenditure (*k*)	7.19	4.56	5.27	4.04	3.59	3.27	3.60	3.34
(19)	**Total Expenditure**	**346.64**	**381.40**	**390.67**	**401.30**	**416.35**	**492.04**	**482.27**	**536.25**
	Surplus (+) *or Deficit* (—) ..	+ 59.22	+128.09	+ 38.93	+ 8.50	+ 33.51	— 17.35	+ 12.31	— 18.04(*l*)

Note.—The figures of total revenue and expenditure as given in this Statement differ from those appearing in the Budget papers and from Statement 56, as receipts from forests, opium and currency and mint are shown on a net basis. Accounts are provisional. Budget estimates for 1956-57 relate to those presented to the *Lok Sabha*. Revenue and expenditure estimates for 1955-56 (Revised) and 1956-57 (Budget) include Rs. 11.2 crores and Rs. 5 crores, respectively, on account of sale proceeds of evacuee property.

(*a*) Effect of budget proposals and Subsequent concessions. (*b*) Includes payment of Rs. 0.91 crore to Travancore-Cochin. (*c*) Includes forests, opium, irrigation, electricity and road and water transport schemes. (*d*) Excludes forest and opium. (*e*) Comprises General Administration, Audit, Administration of Justice, Jails, Police, Tribal Areas and External Affairs . (*f*) Include appropriation for reduction or avoidance of debt. (*g*) Include provision for grants to States for G.M.F. Schemes, relief in natural calamities, etc. From 1954-55, these items are transferred to miscellaneous expenditure under appropriate ministries. (*h*) Comprises grants to educational institutions and certain items of developmental expenditure. (*i*) Comprise irrigation and multi-purpose river schemes, ports and pilotage, lighthouses and lightships, scientific departments, education, medical, public health, agriculture, rural development, veterinary, co-operation, industries and supplies, aviation, broadcasting, civil works, post-war reconstruction and electricity schemes, community development projects, national extension service and miscellaneous departments. (*j*) Include grants-in-aid to States. (*k*) Comprises famine, stationery and printing, civil defence and pre-Partition payments. (*l*) Taking into account the effect of budget proposals and subsequent concessions.

STATEMENT 59

CAPITAL BUDGET OF THE GOVERNMENT OF INDIA

(Crores of Rupees)

RECEIPTS	1950-51 (Accounts)	1951-52 (Accounts)	1952-53 (Accounts)	1953-54 (Accounts)	1954-55 (Accounts)	1955-56 (Budget)	1955-56 (Revised)	1956-57 (Budget)
New Loans	38.09	111.30	33.65	76.83	159.33	141.89	113.41	140.10
Inter-State Debt Settlement	—	—	—	—	14.64	4.68	0.92	—
Treasury Bills*	16.10	—43.69	0.95	19.66	136.92	340.00	240.00	356.21§
Treasury Deposit Receipts*	— 7.13	11.47	—18.03	— 0.15	— 0.12	—	—	—
Treasury Savings Deposit Certificates*	5.47	13.10	7.40	6.38	5.00	5.00	4.25	5.00
Small Savings*	28.05	25.38	32.76	31.43	49.61	46.60	60.55	64.95
Other Unfunded Debt* ..	8.30	10.16	8.58	15.16	15.88	17.00	17.97	19.23
Railway Funds*	17.55	20.04	0.34	— 9.31	—14.00	— 6.87	— 0.89	5.99
Other Reserve Funds* ..	0.16	0.26	0.39	0.19	0.81	— 0.54	0.34	— 0.68
Appropriation for Reduction or Avoidance of Debt.	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
E. P. T. and Income-Tax Deposits*	—33.21	—39.27	—36.72	— 14.67	— 6.71	— 1.33	— 1.45	— 0.95
Repayment of Loans by States	8.08	12.22	13.80	13.21	17.47	24.92	26.61	27.26
Special Development Fund**	—	51.02	34.07	16.90	14.88	58.51	48.28	46.24
Contingency Fund ..	15.00	—	—	—	—	—	—	—
Other Items* (a)	19.09	— 7.95	—12.42	77.39†	10.93	32.67	41.22	35.91
Total Receipts	**120.55**	**169.04**	**69.77**	**238.02**	**409.64**	**667.53**	**556.21**	**704.26**
Surplus (+) or Deficit (—) ..	*—62.04*	*—124.39*	*—94.24*	*—69.84*	*— 52.20*	*+ 30.31*	*+ 5.52*	*+ 18.63§*
DISBURSEMENTS								
Capital Outlay								
Non-Development								
Defence	4.19	10.17	5.96	10.16	8.47	22.38	20.40	26.30
Payment of Commuted Value of Pensions ..	— 6.57	— 6.61	— 6.91	— 7.08	— 7.03	— 6.94	— 9.06	— 9.01
State Trading Schemes ..	— 2.26	12.63	—18.43	—25.44	63.47	29.00	—11.03	9.51
Currency, Mint and Security Printing Press	3.26	0.25	0.12	0.36	0.37	8.39	8.98	1.21
Others (a)(a)	15.01	46.99	26.59	—	11.73	20.97	0.97	26.27
Total—Non-Development ..	**13.63**	**63.43**	**7.33**	**—22.00**	**77.01**	**73.80**	**10.26**	**54.28**
Development								
Railways	25.41	23.21	7.05	11.85	32.25	66.09	72.08	113.43
Posts and Telegraphs ..	7.07	4.96	6.53	7.66	9.33	11.85	10.73	9.75
Civil Aviation	1.82	1.51	0.88	1.37	3.28	5.28	4.91	3.37
Irrigation and Multi-Purpose River Schemes ..	2.56	3.97	4.10	4.26	3.59	4.53	3.16	2.55
Civil Works	9.11	11.37	11.27	13.38	17.14	17.12	29.19	28.30
Industrial Development ..	8.90	8.34	0.40	5.07	13.37	16.42	15.88	79.60
Other Heads ††	2.53	1.39	1.56	2.59	11.44	28.21	23.52	25.46
Total—Development ..	**57.40**	**54.75**	**31.79**	**46.18**	**90.40**	**149.50**	**159.47**	**262.46**
Total Capital Outlay ..	**71.03**	**118.18**	**39.12**	**24.18**	**167.41**	**223.30**	**169.73**	**316.74**
Discharge of Permanent Debt	45.85	87.94	5.89	115.39	49.43	73.05	73.12	4.56
Inter-State Debt Settlement	—	—	—	—	1.10	0.45	0.68	0.06
Advances to States.. ..	61.46	60.77	91.97	125.94	195.29	282.51	254.29	278.06
Advances to States from Special Development Fund	—	14.94	19.82	28.71	25.39	7.68	7.44	5.00
Other Loans and Advances*	4.25	11.60	7.21	13.64	23.22	50.23	45.43	81.21
Total Disbursements ..	**182.59**	**293.43**	**164.01**	**307.86**	**461.84**	**637.22**	**550.69**	**685.63**

* Figures are net. § Adjusted for subsequent tax concessions. **Receipts comprise the sale proceeds of (1) American (Loan) Wheat, (2) wheat received under the Colombo Plan and (3) assistance under (*a*) the Colombo Plan and (*b*) Indo-U.S. Technical Co-operation Agreement and other Aid.

† Inclusive of the credit (Rs. 40 crores) shown in the Cash Balance Investment Account on account of the 3 per cent Loan, 1953-55 which matured during the year (1953-54). @@ Others include Contingency Fund, transfer of the sale proceeds of American (Loan) wheat and payments to displaced persons. †† Include Ports, Grants to States for development purposes, etc. @ Residual item.

STATEMENT 60

BUDGETARY POSITION OF PART A STATES

(On Revenue Account)

(Lakhs of Rupees)

States	REVENUE						EXPENDITURE			
	Tax Revenue				Non-Tax Revenue (d)	Total Revenue	Non-Development Expenditure (e)	Development Expenditure (f)	Total Expenditure	Surplus (+) or Deficit (—)
	Taxes on Income (a)	Taxes on Property and Capital transactions (b)	Taxes on Commodities and Services (c)	Total Tax Revenue						
	1	2	3	4	5	6	7	8	9	10
Assam										
1951-52 (Accounts) ..	2,51	2,15	2,66	**7,32**	**3,49**	**10,81**	4,78	5,67	**10,45**	+ **36**
1952-53 (Accounts) ..	2,50	2,39	3,16	**8,05**	**5,80**	**13,85**	4,98	7,17	**12,15**	+ **1,70**
1953-54 (Accounts) ..	2,37	2,27	3,24	**7,88**	**6,02**	**13,90**	5,38	7,93	**13,31**	+ **59**
1954-55 (Accounts) ..	2,25	2,20	4,38	**8,83**	**6,88**	**15,71**	7,61	11,08	**18,69**	— **2,98**
1955-56 (Revised) ..	2,68	2,61	5,69	**10,98**	**9,84**	**20,82**	7,13	14,67	**21,80**	— **98**
1956-57 (Budget) ..	2,58	2,80	6,01	**11,39**	**9,76**	**21,15**	6,85	17,95	**24,80**	— **3,65**
Bihar										
1951-52 (Accounts) ..	7,10	4,22	11,19	**22,51**	**11,28**	**33,79**	14,76	17,55	**32,31**	+ **1,48**
1952-53 (Accounts) ..	6,45	5,28	12,84	**24,57**	**11,13**	**35,70**	12,74	14,99	**27,73**	+ **7,97**
1953-54 (Accounts) ..	6,45	6,23	12,42	**25,10**	**8,07**	**33,17**	15,02	16,08	**31,10**	+ **2,07**
1954-55 (Accounts) ..	6,04	6,35	12,08	**24,47**	**10,88**	**35,35**	18,88	22,60	**41,48**	— **6,13**
1955-56 (Revised) ..	5,89	8,77	12,75	**27,41**	**11,83**	**39,24**	21,53	37,89	**59,42**	—**20,18**
1956-57 (Budget) ..	5,65	11,36	12,82	**29,83**	**13,04**	**42,87**	21,54	42,21	**63,75**	—**20,88**
Bombay										
1951-52 (Accounts) ..	10,99	12,12	21,47	**44,58**	**16,94**	**61,52**	30,27	31,13	**61,40**	+ **12**
1952-53 (Accounts) ..	10,67	11,80	22,20	**44,67**	**16,51**	**61,18**	32,87	34,25	**67,12**	— **5,94**
1953-54 (Accounts) ..	10,76	12,11	27,48	**50,35**	**20,68**	**71,03**	34,84	35,04	**69,88**	+ **1,15**
1954-55 (Accounts) ..	10,39	13,45	33,48	**57,32**	**20,69**	**78,01**	36,81	33,27	**70,08**	+ **7,93**
1955-56 (Revised) ..	10,24	14,03	33,56	**57,83**	**20,33**	**78,16**	38,00	39,33	**77,33**	+ **83**
1956-57 (Budget) ..	9,91	13,90	31,95	**55,76**	**20,58**	**76,34**	39,25	36,86	**76,11**	+ **23**
Madhya Pradesh										
1951-52 (Accounts) ..	3,18	5,70	6,10	**14,98**	**7,44**	**22,42**	8,65	8,39	**17,04**	+ **5,38**
1952-53 (Accounts) ..	3,23	6,46	7,03	**16,72**	**6,23**	**22,95**	9,33	8,97	**18,30**	+ **4,65**
1953-54 (Accounts) ..	3,25	6,53	6,82	**16,60**	**7,42**	**24,02**	11,45	12,32	**23,77**	+ **25**
1954-55 (Accounts) ..	3,16	6,15	7,08	**16,39**	**10,83**	**27,22**	13,96	13,80	**27,76**	— **54**
1955-56 (Revised) ..	3,11	6,43	7,13	**16,67**	**17,70**	**34,37**	13,80	19,96	**33,76**	+ **61**
1956-57 (Budget) ..	3,01	7,30	7,87	**18,18**	**11,00**	**29,18**	13,13	19,87	**33,00**	— **3,82**

Note.—Figures given here would differ from those in the Budget papers as certain adjustments have been made to ensure uniformity in presentation. As accounts figures for Madras (Composite State) for 1953-54 are not available Budget figures are used in the Statement.

(a) Includes, (i) States' share of income-tax, (ii) agricultural income-tax and (iii) profession tax.

(b) Covers estate duty, land revenue, stamps and registration and urban immovable property tax.

(c) Comprises excise duties, sales tax, enterainment tax, electricity duties, motor vehicles tax, sugarcane cess, tobacco duties, taxes on prize competitions, raw jute, etc.

(d) Includes administrative receipts, net contribution of public enterprises, grants-in-aid and other contributions from the Centre, etc.

(e) Covers direct demands on revenue, debt services, civil administration, miscellaneous, famine, pensions, stationery and printing, etc.

(f) Including education, medical and public health, agriculture, veterinary and co-operation, irrigation, electricity schemes, rural and community development projects, civil works, industries, scientific departments, miscellaneous departments, aviation, etc.

STATEMENT 60—(*Contd.*)

(On Revenue Account)

(Lakhs of Rupees)

States	REVENUE						EXPENDITURE			
	Tax Revenue				Non-Tax Revenue (d)	Total Revenue	Non-Development Expenditure (e)	Development Expenditure (f)	Total Expenditure	Surplus (+) or Deficit (—)
	Taxes on Income (a)	Taxes on Property and Capital transactions (b)	Taxes on Commodities and Services (c)	Total Tax Revenue						
	1	2	3	4	5	6	7	8	9	10
Madras										
1951-52 (Accounts) ..	9,15	12,21	23,53	**44,89**	**13,20**	**58,09**	26,80	36,30	**63,10**	**— 5,01**
1952-53 (Accounts) ..	9,42	11,53	24,64	**45,59**	**11,46**	**57,05**	26,56	40,47	**67,03**	**— 9,98**
1953-54 (Budget) ..	8,95	13,88	26,36	**49,19**	**15,19**	**64,38**	25,58	38,80	**64,38**	**—**
1954-55 (Accounts) ..	5,67	7,52	16,72	**29,91**	**12,44**	**42,35**	18,59	27,68	**46,27**	**— 3,92**
1955-56 (Revised) ..	6,34	10,63	17,62	**34,59**	**17,04**	**51,63**	17,46	36,38	**53,84**	**— 2,21**
1956-57 (Budget) ..	6,81	14,03	18,38	**39,22**	**20,31**	**59,53**	20,22	40,67	**61,19**	**— 1,66**
Andhra										
1954-55 (Accounts) ..	3,26	6,60	6,40	**16,26**	**3,05**	**19,31**	9,19	15,30	**24,49**	**— 5,18**
1955-56 (Revised) ..	3,21	5,54	6,92	**15,67**	**6,19**	**21,86**	9,33	16,50	**25,83**	**— 3,97**
1956-57 (Budget) ..	3,11	6,30	7,51	**16,92**	**6,19**	**23,11**	8,90	17,46	**26,36**	**— 3,25**
Orissa										
1951-52 (Accounts) ..	1,70	1,64	3,64	**6,98**	**4,66**	**11,64**	4,49	6,05	**10,54**	**+ 1,10**
1952-53 (Accounts) ..	2,14	1,81	4,20	**8,15**	**4,09**	**12,24**	4,67	6,47	**11,14**	**+ 1,10**
1953-54 (Accounts) ..	2,14	2,15	4,07	**8,36**	**3,53**	**11,89**	5,97	6,86	**12,83**	**— 94**
1954-55 (Accounts) ..	2,11	1,91	4,23	**8,25**	**5,31**	**13,56**	7,14	7,91	**15,05**	**— 1,49**
1955-56 (Revised) ..	2,21	2,40	4,06	**8,67**	**10,60**	**19,27**	14,64	11,51	**26,15**	**— 6,88**
1956-57 (Budget) ..	2,02	2,63	4,24	**8,89**	**9,82**	**18,71**	9,34	14,98	**24,32**	**— 5,61**
Punjab										
1951-52 (Accounts) ..	2,87	2,97	5,13	**10,97**	**6,12**	**17,09**	8,48	6,89	**15,37**	**+ 1,72**
1952-53 (Accounts) ..	2,06	2,98	5,49	**10,53**	**7,02**	**17,55**	9,04	6,67	**15,71**	**+ 1,84**
1953-54 (Accounts) ..	2,08	3,24	6,36	**11,68**	**8,08**	**19,76**	10,78	8,12	**18,90**	**+ 86**
1954-55 (Accounts) ..	1,93	3,40	7,06	**12,39**	**9,44**	**21,83**	9,99	9,56	**19,55**	**+ 2,28**
1955-56 (Revised) ..	1,90	3,32	7,28	**12,50**	**14,26**	**26,76**	14,35	15,10	**29,45**	**— 2,69**
1956-57 (Budget) ..	1,84	4,16	7,55	**13,55**	**15,21**	**28,76**	11,47	17,76	**29,23**	**— 47**
Uttar Pradesh										
1951-52 (Accounts) ..	10,42	10,19	16,13	**36,74**	**14,65**	**51,39**	28,02	23,31	**51,33**	**+ 6**
1952-53 (Accounts) ..	10,27	14,37	18,60	**43,24**	**17,48**	**60,72**	34,97	25,75	**60,72**	**—**
1953-54 (Accounts) ..	10,18	23,19	22,04	**55,41**	**15,98**	**71,39**	40,02	28,54	**68,56**	**+ 2,83**
1954-55 (Accounts) ..	9,97	22,94	20,86	**53,77**	**19,05**	**72,82**	38,88	33,33	**72,21**	**+ 6**
1955-56 (Revised) ..	9,85	24,29	20,77	**54,91**	**24,12**	**79,03**	38,80	40,23	**79,03**	**—**
1956-57 (Budget) ..	9,50	25,41	20,15	**55,06**	**22,91**	**77,97**	39,96	47,56	**87,52**	**— 9,55**
West Bengal										
1951-52 (Accounts) ..	7,70	5,47	17,18	**30,35**	**7,70**	**38,05**	20,30	16,47	**36,77**	**+ 1,28**
1952-53 (Accounts) ..	7,47	5,35	17,42	**30,24**	**6,67**	**36,91**	20,29	18,10	**38,39**	**— 1,48**
1953-54 (Accounts) ..	7,64	5,35	16,96	**29,95**	**7,51**	**37,46**	23,27	21,08	**44,35**	**— 6,89**
1954-55 (Accounts) ..	7,94	4,70	18,04	**30,68**	**11,28**	**41,96**	25,70	22,76	**48,46**	**— 6,50**
1955-56 (Revised) ..	7,57	6,87	18,99	**33,43**	**16,24**	**49,67**	32,15	32,61	**64,76**	**—15,09**
1956-57 (Budget) ..	7,03	9,08	20,46	**36,57**	**11,89**	**48,46**	32,66	29,99	**62,65**	**—14,19**
Total										
1951-52 (Accounts) ..	**55,62**	**56,67**	**1,07,03**	**2,19,32**	**85,48**	**3,04,80**	**1,46,55**	**1,51,76**	**2,98,31**	**+ 6,49**
1952-53 (Accounts) ..	**54,21**	**61,97**	**1,15,58**	**2,31,76**	**86,39**	**3,18,15**	**1,55,45**	**1,62,84**	**3,18,29**	**— 14**
1953-54 (Accounts) ..	**53,82**	**74,95**	**1,25,75**	**2,54,52**	**92,48**	**3,47,00**	**1,72,31**	**1,74,77**	**3,47,08**	**— 8**
1954-55 (Accounts) ..	**52,72**	**75,22**	**1,30,33**	**2,58,27**	**1,09,85**	**3,68,12**	**1,86,75**	**1,97,29**	**3,84,04**	**—15,92**
1955-56 (Revised) ..	**53,00**	**84,89**	**1,34,77**	**2,72,66**	**1,48,15**	**4,20,81**	**2,07,19**	**2,64,18**	**4,71,37**	**—50,56**
1956-57 (Budget) ..	**51,46**	**96,97**	**1,36,94**	**2,85,37**	**1,40,71**	**4,26,08**	**2,03,62**	**2,85,31**	**4,88,93**	**—62,85**

Note.—For footnotes, please see previous page.

STATEMENT 61

BUDGETARY POSITION OF PART B STATES

(On Revenue Account)

(Lakhs of Rupees)

States	REVENUE						EXPENDITURE			
	Tax Revenue			Total Tax Revenue	Non-Tax Revenue (d)	Total Revenue	Non-Development Expenditure (e)	Development Expenditure (f)	Total Expenditure	Surplus (+) or Deficit (—)
	Taxes on Income (a)	Taxes on Property and Capital Transactions (b)	Taxes on Commodities and Services (c)							
	1	2	3	4	5	6	7	8	9	10
Hyderabad										
1951-52 (Accounts) ..	10	5,41	15,39	**20,90**	**8,68**	**29,58**	16,92	10,98	**27,90**	+ **1,68**
1952-53 (Accounts) ..	2,51	4,98	14,52	**22,01**	**4,45**	**26,46**	15,57	9,47	**25,04**	+ **1,42**
1953-54 (Accounts) ..	2,53	5,67	12,37	**20,57**	**4,78**	**25,35**	16,14	10,35	**26,49**	— **1,14**
1954-55 (Accounts) ..	2,69	6,15	11,91	**20,75**	**6,42**	**27,17**	16,29	11,73	**28,02**	— **85**
1955-56 (Revised) ..	2,67	5,66	11,79	**20,12**	**4,25**	**24,37**	14,92	12,66	**27,58**	— **3,21**
1956-57 (Budget) ..	2,58	6,04	12,42	**21,04**	**4,55**	**25,59**	15,46	14,43	**29,89**	— **4,30**
Madhya Bharat										
1951-52 (Accounts) ..	6	2,96	4,18	**7,20**	**3,87**	**11,07**	5,37	5,52	**10,89**	+ **18**
1952-53 (Accounts) ..	96	3,64	4,11	**8,71**	**2,65**	**11,36**	5,97	5,84	**11,81**	— **45**
1953-54 (Accounts) ..	97	4,20	4,86	**10,03**	**4,02**	**14,05**	5,58	6,83	**12,41**	+ **1,64**
1954-55 (Accounts) ..	1,04	4,37	4,55	**9,96**	**4,54**	**14,50**	5,67	8,04	**13,71**	+ **79**
1955-56 (Revised) ..	1,02	4,56	3,75	**9,33**	**7,59**	**16,92**	6,54	10,26	**16,80**	+ **12**
1956-57 (Budget) ..	1,03	5,00	4,07	**10,10**	**8,31**	**18,41**	6,92	11,47	**18,39**	+ **2**
Mysore										
1951-52 (Accounts) ..	—	1,83	4,53	**6,36**	**7,55**	**13,91**	5,29	8,66	**13,95**	— **4**
1952-53 (Accounts) ..	—	1,78	4,07	**5,85**	**8,62**	**14,47**	5,26	8,46	**13,72**	+ **75**
1953-54 (Accounts) ..	7	1,81	4,33	**6,21**	**8,92**	**15,13**	5,15	10,09	**15,24**	— **11**
1954-55 (Accounts) ..	12	2,26	4,73	**7,11**	**9,01**	**16,12**	5,55	11,00	**16,55**	— **43**
1955-56 (Revised) ..	12	2,57	5,21	**7,90**	**9,70**	**17,60**	6,24	14,05	**20,29**	— **2,69**
1956-57 (Budget) ..	27	2,59	5,00	**7,86**	**10,44**	**18,30**	6,55	15,64	**22,19**	— **3,89**
PEPSU										
1951-52 (Accounts) ..	15	1,13	3,16	**4,44**	**1,61**	**6,05**	2,66	1,96	**4,62**	+ **1,43**
1952-53 (Accounts) ..	41	1,24	2,76	**4,41**	**1,69**	**6,10**	3,07	2,27	**5,34**	+ **76**
1953-54 (Accounts) ..	42	1,41	3,25	**5,08**	**1,80**	**6,88**	3,61	3,11	**6,72**	+ **16**
1954-55 (Accounts) ..	45	1,34	3,52	**5,31**	**2,26**	**7,57**	4,62	4,31	**8,93**	— **1,36**
1955-56 (Revised) ..	44	1,15	3,34	**4,93**	**2,82**	**7,75**	4,99	5,43	**10,42**	— **2,67**
1956-57 (Budget) ..	42	1,55	3,26	**5,23**	**4,58**	**9,81**	4,21	5,13	**9,34**	+ **47**

Note.—Figures given here would differ from those in the Budget papers as certain adjustments have been made to ensure uniformity in presentation.

(a) Includes (i) the States' share of income-tax and (ii) agricultural income-tax. (b) Covers estate duty, land revenue and stamps and registration. (c) Comprises excise duties, sales tax, entertainment tax, electricity duties, motor vehicles tax and other taxes and duties. (d) Includes administrative receipts, net contribution of public enterprises, grants-in-aid and other contribution from the Centre etc. (e) Covers direct demands on revenue, debt services, civil administration, miscellaneous, famine and other expenditure. (f) Including education, medical and public health, agriculture, veterinary and co-operation, and other expenditure.

STATEMENT 61—(*Contd.*)

(On Revenue Account)

(Lakhs of Rupees)

States	REVENUE						EXPENDITURE			
	Tax Revenue			Total Tax Revenue	Non-Tax Revenue (d)	Total Revenue	Non-Development Expenditure (e)	Development Expenditure (f)	Total Expenditure	Surplus (+) or Deficit (—)
	Taxes on Income (a)	Taxes on Property and Capital Transactions (b)	Taxes on Commodities and Services (c)							
	1	2	3	4	5	6	7	8	9	10
Rajasthan										
1951-52 (Accounts) ..	13	3,66	7,44	**11,23**	**3,99**	**15,22**	9,09	6,38	**15,47**	— **25**
1952-53 (Accounts) ..	1,92	4,62	7,18	**13,72**	**4,18**	**17,90**	8,90	6,79	**15,69**	+ **2,21**
1953-54 (Accounts) ..	1,94	4,36	7,55	**13,85**	**4,66**	**18,51**	9,74	8,24	**17,98**	+ **53**
1954-55 (Accounts) ..	2,12	4,76	7,85	**14,73**	**7,20**	**21,93**	10,20	9,84	**20,04**	+ **1,89**
1955-56 (Revised) ..	2,12	5,92	5,39	**13,43**	**7,52**	**20,95**	11,03	12,39	**23,42**	— **2,47**
1956-57 (Budget) ..	2,07	6,72	6,00	**14,79**	**9,30**	**24,09**	10,99	14,80	**25,79**	— **1,70**
Saurashtra										
1951-52 (Accounts) ..	—	1,84	1,06	**2,90**	**4,57**	**7,47**	4,33	4,25	**8,58**	— **1,11**
1952-53 (Accounts) ..	—	3,18	88	**4,06**	**5,71**	**9,77**	7,31	4,37	**11,68**	— **1,91**
1953-54 (Accounts) ..	—	3,63	1,45	**5,08**	**5,48**	**10,56**	4,10	4,32	**8,42**	+ **2,14**
1954-55 (Accounts) ..	—	3,39	1,64	**5,03**	**7,26**	**12,29**	5,78	6,49	**12,27**	+ **2**
1955-56 (Revised) ..	—	3,20	1,49	**4,69**	**8,81**	**13,50**	6,66	9,66	**16,32**	— **2,82**
1956-57 (Budget) ..	—	3,32	1,74	**5,06**	**9,06**	**14,12**	6,38	8,80	**15,18**	— **1,06**
Travancore-Cochin										
1951-52 (Accounts) ..	99	1,90	5,81	**8,70**	**8,54**	**17,24**	6,26	6,70	**12,96**	+ **4,28**
1952-53 (Accounts) ..	96	1,82	5,57	**8,35**	**7,58**	**15,93**	6,89	8,57	**15,46**	+ **47**
1953-54 (Accounts) ..	87	1,79	5,57	**8,23**	**7,95**	**16,18**	5,32	8,54	**13,86**	+ **2,32**
1954-55 (Accounts) ..	1,49	1,76	5,56	**8,81**	**8,05**	**16,86**	2,29	9,74	**12,03**	+ **4,83**
1955-56 (Revised) ..	1,50	1,72	5,54	**8,76**	**8,66**	**17,42**	5,47	13,36	**18,83**	— **1,41**
1956-57 (Budget) ..	1,25	1,77	5,90	**8,92**	**9,04**	**17,96**	5,57	15,47	**21,04**	— **3,08**
Total										
1951-52 (Accounts) ..	**1,43**	**18,73**	**41,57**	**61,73**	**38,81**	**1,00,54**	**49,92**	**44,45**	**94,37**	+ **6,17**
1952-53 (Accounts) ..	**6,76**	**21,26**	**39,09**	**67,11**	**34,88**	**1,01,99**	**52,97**	**45,77**	**98,74**	+ **3,25**
1953-54 (Accounts) ..	**6,80**	**22,87**	**39,38**	**69,05**	**37,61**	**1,06,66**	**49,64**	**51,48**	**1,01,12**	+ **5,54**
1954-55 (Accounts) ..	**7,91**	**24,03**	**39,76**	**71,70**	**44,74**	**1,16,44**	**50,40**	**61,15**	**1,11,55**	+ **4,89**
1955-56 (Revised) ..	**7,87**	**24,78**	**36,51**	**69,16**	**49,35**	**1,18,51**	**55,85**	**77,81**	**1,33,66**	—**15,15**
1956-57 (Budget) ..	**7,62**	**26,99**	**38,39**	**73,00**	**55,28**	**1,28,28**	**56,08**	**85,74**	**1,41,82**	—**13,54**

Note.—For foot-notes, please see previous page.

STATEMENT 62

BUDGETARY POSITION OF PART C STATES

(On Revenue Account) (Lakhs of Rupees)

States	REVENUE						EXPENDITURE			
	Tax Revenue			Total Tax Revenue	Non-Tax Revenue (d)	Total Revenue	Non-Development Expenditure (e)	Development Expenditure (f)	Total Expenditure	Surplus (+) or Deficit (—)
	Taxes on Income (a)	Taxes on Property and Capital Transactions (b)	Taxes on Commodities and Services (c)							
	1	2	3	4	5	6	7	8	9	10
Ajmer										
1952-53 (Accounts) ..	—	8	26	34	1,77	2,11	1,33	75	2,08	+ 3
1953-54 (Accounts) ..	—	10	31	41	1,19	1,60	61	84	1,45	+ 15
1954-55 (Accounts) ..	—	9	32	41	1,13	1,54	67	97	1,64	— 10
1955-56 (Revised) ..	—	8	39	47	2,07	2,54	89	1,65	2,54	—
1956-57 (Budget) ..	—	15	67	82	1,74	2,56	89	1,67	2,56	—
Bhopal										
1952-53 (Accounts) ..	—	45	19	64	1,34	1,98	72	1,13	1,85	+ 13
1953-54 (Accounts) ..	—	50	21	71	1,47	2,18	74	1,47	2,21	— 3
1954-55 (Accounts) ..	1	55	21	77	1,83	2,60	91	1,77	2,68	— 8
1955-56 (Revised) ..	1	57	20	78	2,81	3,59	98	2,67	3,65	— 6
1956-57 (Budget) ..	2	59	34	95	2,39	3,34	1,02	2,39	3,41	— 7
Coorg										
1952-53 (Accounts) ..	14	7	16	37	37	74	23	42	65	+ 9
1953-54 (Accounts) ..	21	7	20	48	43	91	19	67	86	+ 5
1954-55 (Accounts) ..	19	8	19	46	49	95	22	77	99	— 4
1955-56 (Revised) ..	22	9*	19	50*	67	1,17*	30	1,12	1,42	— 25
1956-57 (Budget) ..	21	10*	8	39*	70	1,09*	31	1,17	1,48	— 39
Delhi										
1952-53 (Accounts) ..	—	49	2,46	2,95	83	3,78	1,28	2,09	3,37	+ 41
1953-54 (Accounts) ..	—	53	2,71	3,24	94	4,18	1,51	2,30	3,81	+ 37
1954-55 (Accounts) ..	—	74	2,90	3,64	76	4,40	1,49	2,69	4,18	+ 22
1955-56 (Revised) ..	—	57	3,11	3,68	1,63	5,31	1,90	3,88	5,78	— 47
1956-57 (Budget) ..	—	62	3,10	3,72	2,42	6,14	2,12	4,48	6,60	— 46
Himachal Pradesh										
1952-53 (Accounts) ..	—	24	16	40	1,23	1,63	58	1,02	1,60	+ 3
1953-54 (Accounts) ..	—	23	17	40	1,59	1,99	68	1,24	1,92	+ 7
1954-55 (Accounts) ..	—	25	17	42	1,77	2,19	81	1,40	2,21	— 2
1955-56 (Revised) ..	—	23	16	39	2,64	3,04	95	2,11	3,06	— 2
1956-57 (Budget) ..	—	24	27	51	3,34	3,85	1,06	2,79	3,85	— (g)
Vindhya Pradesh ..										
1952-53 (Accounts) ..	—	84	51	1,35	76	2,11	1,19	1,36	2,55	— 44
1953-54 (Accounts) ..	1	96	52	1,49	2,93	4,42	1,53	1,94	3,47	+ 95
1954-55 (Accounts) ..	2	1,00	55	1,57	2,46	4,03	1,78	2,75	4,53	— 50
1955-56 (Revised) ..	1	1,19	69	1,89	3,29	5,18	1,90	3,06	4,96	+ 22
1956-57 (Budget) ..	3	1,23	72	1,98	3,66	5,64	2,14	3,60	5,74	— 10
TOTAL										
1952-53 (Accounts) ..	**14**	**2,17**	**3,74**	**6,05**	**6,30**	**12,35**	**5,33**	**6,77**	**12,10**	**+ 25**
1953-54 (Accounts) ..	**22**	**2,39**	**4,12**	**6,73**	**8,55**	**15,28**	**5,26**	**8,46**	**13,72**	**+ 1,56**
1954-55 (Accounts) ..	**22**	**2,70**	**4,35**	**7,27**	**8,43**	**15,70**	**5,90**	**10,33**	**16,23**	**— 53**
1955-56 (Revised) ..	**25**	**2,72***	**4,74**	**7,71**	**13,10**	**20,81**	**6,93**	**14,47**	**21,40**	**— 59**
1956-57 (Budget) ..	**25**	**2,92***	**5,19**	**8,36**	**14,26**	**22,62**	**7,54**	**16,10**	**23,64**	**— 1,02**

Note.—Figures given here would differ from those in the Budget papers as certain adjustments have been made to ensure uniformity in presentation.

(a) Include agricultural income-tax and profession tax. (b) Cover land revenue, stamps and registration. (c) Motor vehicles tax, state excise, entertainment tax, general sales tax and sales tax on motor spirit and electricity duties. (d) Administrative receipts, net contributions of public undertakings, grants-in-aid and other contributions from the Centre. (e) Direct demands on revenue, debt services, civil administration, pensions, stationery and printing. (f) Education, medical and public health, agriculture, veterinary and co-operation, industries and supplies, irrigation and multi-purpose schemes, electricity schemes, community projects, civil works and scientific and miscellaneous departments. (g) A small surplus of Rs. 32,000.

* Includes a small amount of cess.

STATEMENT 63

RAILWAY FINANCES

(Crores of Rupees)

	1950-51 Actuals	1951-52 Actuals	1952-53 Actuals	1953-54 Actuals	1954-55 Actuals	1955-56 Budget	1955-56 Revised	1956-57 Budget
I. Capital-at-Charge	**827.04**	**850.11**	**857.38**	**869.30**	**901.58**	**961.07**	**973.66**	**1,087.09**
II. Total Receipts (1 + 2) ..	**263.30**	**291.16**	**270.87**	**274.60**	**286.81**	**292.55**	**314.18**	**345.05**
1. Gross Traffic Receipts ..	**263.01**	**290.82@**	**270.56**	**274.29**	**286.78**	**292.50**	**314.10**	**345.00**
(*a*) Passenger	97.84	109.88	100.38	100.00	102.62	104.50	108.50	111.40
(*b*) Other Coaching ..	16.64	19.87	18.17	18.01	19.24	18.00	20.50	21.80
(*c*) Goods	143.01	156.79	146.12	147.18	158.69	163.90	180.00	205.50
(*d*) Other Earnings* ..	5.52	4.28	5.89	9.10	6.23	6.10	5.10	6.30
2. Miscellaneous Earnings ..	**0.29**	**0.34**	**0.31**	**0.31**	**0.03**	**0.05**	**0.08**	**0.05**
III. Total Expenses (1 + 2 + 3 + 4) ..	**215.74**	**229.41**	**223.69**	**237.68**	**242.74**	**249.34**	**268.44**	**282.39**
1. Ordinary Working Expenses	**180.23**	**194.04@**	**187.96**	**201.47**	**205.87**	**206.58**	**214.15**	**224.10**
Administrative ..	23.36	24.62	26.18	27.88	29.55	30.81	31.89	34.51
Repairs and Maintenance	57.11	62.57	64.21	68.08	72.44	74.12	79.81	82.72
Operating staff ..	35.41	38.93	41.16	43.40	45.73	48.15	49.81	52.87
Operation (fuel) ..	30.72	31.00	22.20	23.98	23.25	23.62	23.89	24.96
Operation (other than staff and fuel) ..	13.35	14.40	13.48	13.96	11.26	8.87	9.34	9.31
Miscellaneous ..	19.39	20.49	17.12	18.64	17.83	16.38	15.13	14.67
Labour Welfare ..	3.19	3.60	3.64	4.03	4.26	4.81	5.28	5.63
Suspense	—2.30	—1.57	—0.03	1.50	1.56	—0.18	—1.00	—0.56
2. Depreciation	**30.00**	**30.00**	**30.00**	**30.00**	**30.00**	**35.00**	**45.00**	**45.00**
3. Payments to Worked Lines	**0.25**	**0.31**	**0.21**	**0.28**	**0.21**	**0.21**	**0.25**	**0.20**
4. Miscellaneous Expenses ..	**5.26**	**5.06**	**5.52**	**5.93**	**6.66**	**7.55**	**9.04**	**13.09**
(*a*) Open Line Works ..	3.93	3.98	4.05	4.38	4.91	5.68	6.99	10.82
(*b*) Others	1.33	1.08	1.47	1.55	1.75	1.87	2.05	2.27
IV. Net Revenue (II-III)	**47.56**	**61.75**	**47.18**	**36.92**	**44.06**	**43.21**	**45.74**	**62.66**
V. Dividend to General Revenues .	**32.51**	**33.41**	**33.99**	**34.36**	**34.96**	**36.07**	**36.16**	**39.67**
VI. Surplus (IV-V)	**15.05**	**28.34**	**13.19**	**2.56**	**9.10**	**7.14**	**9.58**	**22.99**
VII. Appropriation to :—								
(*a*) Development Fund ..	**10.00**	**10.00**	**12.00**	**2.56**	**9.10**	—	**2.44**	**22.99**
(*b*) Revenue Reserve Fund	**5.05**	**18.34**	**1.19**	—	—	**7.14**	**7.14**	—

@ Figures of earnings and ordinary working expenses for 1951-52 are inclusive of the freight charges on railway materials including coal and other fuel of Rs. 16.31 crores and Rs. 15.01 crores, respectively. Figures from 1952-53 do not include these freight charges. From 1954-55, these freight charges are included under several demands and have been treated as recoveries.

* Include Suspense.

STATEMENT 64

RAILWAY RESERVE FUNDS

(Crores of Rupees)

	Appropriations†	Withdrawals	Net accretion	Closing balance*
I. Depreciation Reserve Fund				
1950-51	33.59	26.63	6.96	123.65
1951-52	33.79	35.87	— 2.08	122.02
1952-53	34.42	40.89	— 6.47	116.36
1953-54	33.97	38.02	— 4.05	112.79
1954-55	33.72	45.82	—12.10	100.69
1955-56 (R.E.)	48.63	48.57	0.06	100.75
1956-57 (B.E.)	48.77	45.42	3.35	104.10
II. Revenue Reserve Fund				
1950-51	5.40	— 0.01	5.41	13.58
1951-52	19.12	— 0.18	19.30	33.72
1952-53	2.26	— 0.04	2.30	36.05
1953-54	1.13	—	1.13	37.18
1954-55	1.18	—	1.18	38.36
1955-56 (R.E.)	8.50	— 0.02	8.52	46.88
1956-57 (B.E.)	1.54	—	1.54	48.42
III. Development Fund				
1950-51	10.52	5.35	5.17	19.44
1951-52	10.65	7.70	2.95	22.48
1952-53	12.76	8.10	4.66	27.14
1953-54	3.29	9.81	— 6.52	20.62
1954-55	9.70	12.78	— 3.08	17.54
1955-56 (R.E.)	2.85	12.32	— 9.47	8.07
1956-57 (B.E.)	23.27	22.17	1.10	9.17
IV. Total				
1950-51	**49.51**	**31.97**	**17.54**	**156.67**
1951-52	**63.56**	**43.39**	**20.17**	**178.22**
1952-53	**49.44**	**48.95**	**0.49**	**179.55**
1953-54	**38.39**	**47.83**	**— 9.44**	**170.59**
1954-55	**44.60**	**58.60**	**—14.00**	**156.59**
1955-56 (R.E.)	**59.98**	**60.87**	**— 0.89**	**155.70**
1956-57 (B.E.)	**73.58**	**67.59**	**5.99**	**161.69**

† Including interest.

* Figures are provisional as the balances of the ex-States' Railways merged therein are not yet finalised.

STATEMENT 65

INTEREST-BEARING OBLIGATIONS AND INTEREST-YIELDING ASSETS OF THE GOVERNMENT OF INDIA

(Lakhs of Rupees)

	1950-51 Revised Estimate	1951-52 Revised Estimate	1952-53 Revised Estimate	1953-54 Revised Estimate	1954-55 Revised Estimate	1955-56 Revised Estimate	1956-57 Budget Estimate
I. Interest-Bearing Obligations ..							
In India							
1 Loans	1,438,46	1,402,10	1,403,58	1,366,05	1,474,91	1,509,61	1,610,10
2 Treasury Bills, Ways and Means Advances and Treasury Deposit Receipts	373,20	335,01	319,19	405,29	554,95	711,87	1,067,72
3 Small Savings	326,25	372,57	417,64	454,87	505,39	574,41	644,36
4 Depreciation and Reserve Funds	155,56	171,47	170,18	171,96	174,25	186,76	192,07
5 Others	207,26	193,02	189,14	155,68	190,48	188,17	206,89
6 Total	**2,500,73**	**2,474,17**	**2,499,73**	**2,553,85**	**2,899,98**	**3,170,82**	**3,721,14**
In England							
7 Loans	1,35	1,24	1,20	1,13	70	59	56
8 Others	34,82	32,24	29,03	27,84	26,56	22,61	21,70
9 Total	**36,17**	**33,48**	**30,23**	**28,97**	**27,26**	**23,20**	**22,26**
10 *Dollar loans*	24,60	112,04	113,74	111,80	111,91	117,57	144,94
11 *Loan from U.S.S.R.*	—	—	—	—	—	—	9,20
12 Total Interest-Bearing Obligations	**2,561,50**	**2,619,69**	**2,643,70**	**2,694,62**	**3,039,15**	**3,311,59**	**3,897,54**
II. Interest-Yielding Assets							
13 Capital advanced to Railways	814,13	833,63	864,23	875,16	901,72	973,66	1,087,09
14 Capital advanced to other Commercial Departments ..	90,11	112,95	81,25	88,24	115,33	112,08	125,68
15 Investment in Commercial Concerns	—	—	—	27,14	40,82	56,02	135,28
16 Capital advanced to States and other Interest-Bearing Loans	216,97	284,32	377,47	482,78	734,05	959,13	1,287,34
17 Debt due from Burma and Pakistan	348,15	348,15	348,15	348,15	300,00*	300,00*	300,00*
18 Deposits with U.K. Government for redemption of Railway Annuities	10,96	8,53	5,44	4,33	3,18	1,99	1,08
19 Purchase of Annuities for Sterling Pensions	200,89	193,58	186,32	178,03	170,98	65,41	59,49
20 Total Interest-Yielding Assets.	**1,681,21**	**1,781,16**	**1,862,86**	**2,003,83**	**2,266,08**	**2,468,29**	**2,995,96**
21 Cash and Securities held on Treasury Account	141,97	198,70	136,18	70,44	65,38	50,33	50,74
22 Balance of total Interest-Bearing Obligations not covered by above Assets ..	738,32	639,83	644,66	620,35	707,69	792,97	850,84

Note :—**Figures given in this Statement are only estimates (revised or budget); hence data in respect of Loans, Treasury bills, Small Savings and Capital advanced to Railways differ from those given in Statements 66, 67 and 72, 70 and 71; 74 and 63 respectively, where latest figures have been given.**

*** Due from Pakistan only.**

STATEMENT 66

DEBT POSITION OF THE GOVERNMENT OF INDIA

(Crores of Rupees)

End of March	Marketable Rupee Loans	*Percentage to Total*	Treasury Bills	*Percentage to Total*	Small Savings@	*Percentage to Total*	Other Obligations†	*Percentage to Total*	Total	*Percentage increase (+) or decrease (—)*	External Debt: Total	External Debt: Of which Dollar Loans
1951 ..	1,438.46	*58.2*	364.72*	*14.8*	326.25	*13.2*	342.81	*13.9*	**2,472.24**	+ *2.3*	**49.81**	24.60
1952 ..	1,403.51	*57.0*	332.51*	*13.5*	372.57	*15.2*	351.24	*14.3*	**2,459.83**	— *0.9*	**136.99**	112.04
1953 ..	1,403.58	*56.3*	315.44*	*12.7*	412.61	*16.5*	361.82	*14.5*	**2,493.45**	+ *1.4*	**138.53**	113.74
1954 ..	1,364.27	*54.4*	334.95	*13.4*	450.51	*18.0*	355.44	*14.2*	**2,505.17**	+ *0.5*	**136.44**	111.80
1955 ..	1,474.39	*52.0*	471.87	*16.6*	505.70	*17.8*	391.97	*13.8*	**2,843.93**	+*13.5*	**133.20**	111.91
1956 ..	1,508.67	*49.2*	595.25	*19.4*	568.20	*18.6*	390.29	*12.7*	**3,062.41**	+ *7.7*	**138.78**	117.57

Note :— Figures are provisional, excepting those of rupee loans and Treasury bills. @Including Ten-year Treasury Savings Deposit Certificates ; Inclusive of Indian Union's share of pre-partition liabilities. †Including (1) unclaimed balances of old loans which have ceased to bear interest from the date of discharge, (2) balances of special loans, (3) balances of State Provident Funds and other accounts such as General Family Pension Fund, the Hindu Family Annuity Fund, the Postal Insurance and Life Annuity Fund etc. and (4) the amount of Three-year Interest-Free Bonds and Five-Year Interest-Free Prize Bonds. * Including Treasury Deposit Receipts.

STATEMENT 67

MATURITY PATTERN OF THE GOVERNMENT OF INDIA RUPEE LOANS†

(Crores of Rupees)

End of March	Undated	*Percentage to Total*	Over 10 years	*Percentage to Total*	Between 5 and 10 years	*Percentage to Total*	Under 5 years	*Percentage to Total*	Total*
1951	257.85	*17.9*	519.33	*36.1*	342.51	*23.8*	318.77	*22.2*	**1438.46**
1952	257.85	*18.4*	463.47	*33.0*	450.14	*32.1*	232.05	*16.5*	**1403.51**
1953	257.85	*18.4*	387.60	*27.6*	411.67	*29.3*	346.46	*24.7*	**1403.58**
1954	257.85	*18.9*	271.43	*19.9*	546.93	*40.1*	288.06	*21.1*	**1364.27**
1955	257.85	*17.5*	241.14	*16.4*	621.70	*42.2*	353.70	*24.0*	**1474.39**
1956	257.85	*17.1*	241.17	*16.0*	616.52	*40.9*	393.13	*26.1*	**1508.67**

* Figures are actuals as available with the Reserve Bank of India and differ from those in Statement 65 which are revised estimates for all years.
† Where loans bear two dates of maturity, the earlier date has been taken for purposes of classification.

STATEMENT 68

CONSOLIDATED DEBT POSITION OF PART A STATES*

(Lakhs of Rupees)

	At the End of					
	1950-51	1951-52	1952-53	1953-54	1954-55	1955-56 (R.E.)
I. Public Debt—						
(a) Permanent Debt	58,07	69,11	80,44	105,37	118,61	184,96
(b) Floating Debt	2,26	2,62	19,10**	21	4,47	—
(c) Loans from Central Government	155,12	217,23	281,69	397,86	548,52	726,27
II. Unfunded Debt	30,41	33,92	37,52	42,11	49,23	54,12
III. Gross Total Debt .. .. .. (Total of I and II)	**245,86**	**322,88**	**418,75**	**545,55**	**720,83**	**965,35**
IV. Appropriation for Reduction or Avoidance of Debt	2,84	6,58	8,14	6,42	8,87	13,31

*Based on actual returns furnished by the States excepting in the case of Assam where the information for 1951-52, and Bihar where the information for 1954-55 and 1955-56 is taken from Budget papers.

** The abnormal increase is on account of substantial ways and means advance (Rs. 18 crores) taken by the Madras Government.

STATEMENT 69

GOVERNMENT BALANCES IN INDIA WITH THE RESERVE BANK OF INDIA AND AT GOVERNMENT TREASURIES

(Lakhs of Rupees)

Reserve Bank of India						End of	Government Treasuries					
Central Government		Part A States		Part B States (a)			Central Government		Part A States		Part B States (b)	
1954-55	1955-56	1954-55	1955-56	1954-55	1955-56		1954-55	1955-56	1954-55	1955-56	1954-55	1955-56
86,31	54,61	21,89	21,00	6,71	7,26	April ..	2,46	2,03	1,64	1,55	2,41	1,61
113,85	54,04	12,21	8,45	3,71	5,20	May ..	2,32	1,93	1,49	1,44	2,07	1,49
126,27	48,00	15,61	1,04	2,99	2,60	June ..	2,32	2,16	1,57	1,79	2,00	1,46
131,60	73,16	13,90	8,66	3,29	5,05	July ..	2,25	2,26	1,50	1,70	1,93	1,20
143,05	61,64	10,42	27,43	1,30	2,12	August ..	1,90	2,17	1,59	1,68	1,70	1,32
142,93	49,56	7,54	4,51	—87	2,03	September ..	2,33	2,04	1,64	1,53	1,63	1,37
101,24	45,94	14,93	19,81	1,88	6,96	October ..	2,49	2,15	1,48	1,53	1,60	1,41
80,61	55,83	9,92	5,49	88	1,79	November ..	2,06	2,34	1,50	1,53	1,63	1,51
54,12	49,45	13,18	6,27	92	13	December ..	1,80	2,03	1,68	1,64	1,71	1,51
62,04	58,48	10,26	9,94	4,41	5,28	January ..	1,72	2,23	1,69	1,73	1,58	1,43
53,61	66,17	12,89	14,50	5,41	2,67	February ..	1,92	1,98	1,99	1,74	1,79	1,52
33,33	—3,09*	61,04	73,60	15,88	15,08	March ..	12	—1,53*	89	1,46	1,82	1,21

(a) Data relate to Madhya Bharat, Travancore-Cochin, Mysore, Hyderabad and Saurashtra. (b) Data relate to Travancore-Cochin and Mysore.
* Provisional.

STATEMENT 70

GOVERNMENT OF INDIA THREE MONTHS TREASURY BILLS (ANNUAL AND MONTHLY)

(Lakhs of Rupees)

Year			Amount offered for tender	Amount tendered	Amount sold	*Average yield per cent per annum*	Amount sold in favour of the Reserve Bank of India*	Amount outstanding at the end of period**
1950-51	..	..					13,94,35	3,58,02
1951-52	..	..					13,35,50	3,14,34
1952-53	..	..	42,00	65,60	42,00	*2.22*	12,33,09	3,15,29
1953-54	..	..	56,50	91,38	56,50	*2.45*	13,09,06	3,34,95
1954-55	..	..	23,50	37,97	23,50	*2.53*	15,23,81	4,71,87
1955-56	..	..	55,50	86,25	55,50	*2.52*	19,94,11	5,95,25
April	1955	..	4,00	4,66	4,00	*2.57*	1,03,15	5,04,39
May	,,	..	4,00	5,72	4,00	*2.57*	2,73,15	5,11,06
June	,,	..	4,00	10,29	4,00	*2.54*	1,25,01	5,13,31
July	,,	..	5,00	8,11	5,00	*2.51*	80,17	4,91,33
August	,,	..	4,00	5,96	4,00	*2.51*	2,76,75	4,59,93
September	,,	..	5,00	7,52	5,00	*2.52*	75,68	4,40,60
October	,,	..	6,00	12,10	6,00	*2.48*	1,15,18	4,73,68
November	,,	..	7,50	10,96	7,50	*2.48*	2,73,00	4,82,36
December	,,	..	3,00	4,01	3,00	*2.50*	85,76	4,60,30
January	1956	..	4,00	5,51	4,00	*2.52*	1,49,01	4,96,27
February	,,	..	4,00	5,94	4,00	*2.52*	2,73,02	5,03,79
March	,,	..	5,00	5,47	5,00	*2.53*	1,64,23	5,95,25

Note.—Sales of Treasury bills to the public were suspended from December 20, 1949 upto September 9, 1952 and again from April 20, 1954 to November 2, 1954.

* Including creation/renewal of *ad hoc* Treasury bills. **Comprising amount outstanding on account of (*i*) Treasury bills held by the public, (*ii*) Treasury bills held by State Governments and other approved bodies, (*iii*) *ad hocs* created in 1948-49 for holding in the Bank's Issue Department to replace sterling securities transferred to the U.K. Government in terms of the Sterling Balances Agreement of July 1948 and (*iv*) *ad hocs* created since 1954-55 and held in the Issue Department for replenishing the Centre's cash balances. The outstandings of *ad hocs* under (*iii*) and (*iv*) above amounted to Rs. 274.51 crores at the end of 1950-51, Rs. 267.51 crores at the end of 1951-52, Rs. 260.51 crores at the end of 1952-53, Rs. 253.32 crores at the of 1953-54, Rs. 356.52 crores at the end of 1954-55 and Rs. 487.52 crores at the end of 1955-56.

STATEMENT 71

GOVERNMENT OF INDIA THREE MONTHS TREASURY BILLS (WEEKLY), 1955-56

(Thousands of Rupees)

1955-56		SALES TO PUBLIC					Average rate of discount of accepted tenders	Amount sold in favour of the Reserve Bank of India*	Total Amount Outstanding
1955		Amount offered	Amount tendered	Amount sold @	Amount discharged	Amount outstanding			
On April	1	1,00,00	1,05,00	1,00,00	—	13,00,00	2.56	5,00,00	4,77,87,00
Week Ended April	8	—	—	—	1,00,00	12,00,00	—	35,58,25	4,94,26,50
,,	15	1,00,00	1,00,00	—	1,00,00	11,00,00	2.56	27,77,50	4,95,41,50
,,	22	1,00,00	1,51,00	2,00,00	1,00,00	12,00,00	2.56	13,64,75	4,95,33,50
,,	29	1,00,00	1,10,00	1,00,00	1,00,00	12,00,00	2.59	13,12,00	4,98,38,50
May	6	1,00,00	1,22,25	1,00,00	99,75	12,00,25	2.58	2,49,96,00	5,06,08,75
,,	13	1,00,00	1,56,00	1,00,00	1,00,25	12,00,00	2.56	9,79,50	5,07,10,50
,,	20	1,00,00	1,38,75	1,00,00	1,00,00	12,00,00	2.56	14,81,75	5,10,05,50
,,	27	1,00,00	1,55,00	1,00,00	1,00,00	12,00,00	2.57	6,60,00	5,11,55,50
June	3	1,00,00	2,29,50	76,75	—	12,76,75	2.56	10,18,00	5,20,83,25
,,	10	1,00,00	2,73,75	114,25	1,00,00	12,91,00	2.54	10,21,50	5,19,67,50
,,	17	1,00,00	2,48,75	1,09,00	99,50	13,00,50	2.53	57,27,25	5,17,57,00
,,	24	1,00,00	2,77,00	1,00,00	1,00,50	13,00,00	2.51	15,71,25	5,15,91,50
July	1	1,00,00	1,12,50	1,00,00	2,00,00	12,00,00	2.50	31,62,75	5,08,30,50
,,	8	1,00,00	2,04,00	1,00,00	—	13,00,00	2.51	22,58,75	4,96,31,00
,,	15	1,00,00	1,11,00	1,00,00	—	14,00,00	2.53	22,77,50	4,92,31,00
,,	22	1,00,00	1,91,50	1,00,00	2,00,00	13,00,00	2.50	15,67,00	4,93,33,25
,,	29	1,00,00	1,91,50	1,00,00	1,00,00	13,00,00	2.49	19,13,75	4,91,33,00
August	5	1,00,00	2,17,00	1,00,00	2,00	13,98,00	2.48	2,43,78,75	4,94,85,75
,,	12	1,00,00	1,40,00	1,00,00	98,00	14,00,00	2.51	8,29,50	4,92,67,75
,,	19	1,00,00	1,07,50	1,00,00	1,07,50	13,92,50	2.50	11,56,75	4,89,35,25
,,	26	1,00,00	1,31,00	1,00,00	92,50	14,00,00	2.53	10,60,00	4,93,42,75
September	2	1,00,00	1,66,00	—	1,00,00	13,00,00	2.53	2,50,00	4,59,92,75
,,	9	1,00,00	1,36,00	1,91,00	1,00,00	13,91,00	2.52	37,40,50	4,51,29,25
,,	16	1,00,00	1,42,50	1,09,00	1,00,00	14,00,00	2.53	23,39,75	4,49,06,75
,,	23	1,00,00	1,25,75	—	1,00,00	13,00,00	2.53	13,82,50	4,41,17,50
,,	30	1,00,00	1,82,00	2,00,00	2,00,00	13,00,00	2.51	1,05,00	4,40,59,75
October	7	1,50,00	3,20,00	1,50,00	1,00,00	13,50,00	2.49	40,14,25	4,58,65,25
,,	14	2,00,00	4,23,00	2,00,00	99,50	14,50,50	2.48	34,17,50	4,70,55,75
,,	21	2,50,00	4,67,00	2,50,00	1,00,50	16,00,00	2.47	18,24,00	4,75,12,25
,,	28	—	—	—	1,00,00	15,00,00	—	22,62,00	4,77,60,50
November	4	2,00,00	3,17,25	2,00,00	1,00,00	16,00,00	2.47	2,53,52,75	4,93,34,50
,,	11	2,00,00	3,12,25	2,00,00	1,00,00	17,00,00	2.47	8,29,50	4,89,34,50
,,	18	2,00,00	2,66,00	7,50	1,00,00	16,07,50	2.49	6,56,75	4,88,42,00
,,	25	1,50,00	2,00,50	3,42,50	1,00,00	18,50,00	2.50	3,59,00	4,83,83,50
December	2	1,00,00	1,63,75	78,75	—	19,28,75	2.50	6,02,00	4,88,14,25
,,	9	1,00,00	1,15,00	1,12,25	1,91,00	18,50,00	2.50	41,29,25	4,91,24,25
,,	16	1,00,00	1,22,50	1,09,00	1,08,50	18,50,50	2.50	20,24,00	4,78,09,00
,,	23	—	—	—	—	18,50,50	—	13,06,00	4,57,32,50
,,	30	—	—	—	2,00,00	16,50,50	—	6,17,00	4,60,29,50
1956									
January	6	1,00,00	1,39,75	1,00,00	1,50,00	16,00,50	2.51	48,09,75	4,77,90,00
,,	13	1,00,00	1,46,75	1,00,00	2,00,00	15,00,50	2.51	39,17,50	4,81,90,00
,,	20	1,00,00	1,42,75	1,00,00	2,50,00	13,50,50	2.52	37,84,25	5,00,00,25
,,	27	1,00,00	1,21,75	1,00,00	—	14,50,50	2.53	19,37,00	4,97,75,25
February	3	1,00,00	1,72,00	1,00,00	2,00,00	13,50,50	2.52	2,66,84,00	5,10,06,50
,,	10	1,00,00	1,68,25	1,00,00	2,00,00	12,50,50	2.52	3,29,50	5,09,06,50
,,	17	1,00,00	1,53,00	1,00,00	7,50	13,43,00	2.52	4,06,75	5,07,49,00
,,	24	1,00,00	1,00,75	1,00,00	3,43,00	11,00,00	2.53	2,58,50	5,04,05,50
March	2	1,00,00	1,02,75	1,00,00	78,75	11,21,25	2.53	575,50	5,04,00,25
,,	9	1,00,00	1,36,00	1,00,00	1,21,25	11,00,00	2.53	44,17,25	5,06,67,00
,,	16	1,00,00	1,06,00	1,00,00	1,00,00	11,00,00	2.53	40,24,00	5,41,67,00
,,	23	1,00,00	1,02,25	1,00,00	—	12,00,00	2.53	15,56,00	5,41,17,00
,,	30	1,00,00	1,00,00	1,00,00	—	13,00,00	2.53	59,25,00	5,95,25,00
On March	31	—	—	—	—	13,00,00	—	—	5,95,25,00

@ The figures differ from those given in the Reserve Bank of India Bulletin as the figures given here represent transactions effected as at the end of particular dates and not transactions relating to a particular issue of Treasury bills. * Including creation/renewals of *ad hoc* Treasury bills.

STATEMENT 72

CENTRAL AND STATE GOVERNMENT LOANS

(OUTSTANDINGS AS ON MARCH 31, 1956) (Thousands of Rupees)

CENTRAL GOVERNMENT LOANS	Amount Outstanding
3 % Victory Loan, 1957	1,14,06,89
3 % Loan, 1958	50,35,63
4½ % " 1958-68	5,85,73
3 % Second Victory Loan, 1959-61	1,13,65,64
2¾ % Loan, 1960	45,63,07
4 % " 1960-70	63,30,26
2½ % " 1961	57,00,69
2¾ % " 1962	75,86,72
3 % " 1963-65	1,16,17,46
3 % " 1964	30,33,10
3 % Funding Loan, 1966-68	1,10,11,78
3 % First Development Loan, 1970-75	1,15,05,83
2¾ % Loan, 1976	14,77,48
2½ % Bhopal War Bonds, 1957	26,25
3 % Bhopal Loan, 1966-76	1,21,73
3½ % National Plan Bonds, 1961	75,29,00
3 % Loan 1986 or later (Conversion Loan of 1946)	2,48,91,47
3 % Non-terminable Loan, 1896-97	8,93,35
3½ % National Plan Loan, 1964	1,58,17,34
3½ % National Plan Bonds, 1965 (Second Series)	1,03,67,92
	15,08,67,34
Loans not bearing interest	3,14,84
TOTAL	**15,11,82,18**

STATE GOVERNMENT LOANS (A) PART A STATES	Amount Outstanding
4 % Andhra State Development Loan, 1967	**5,00,16**
4 % Bihar State Development Loan, 1963	1,31,29
4 % " " " " 1967	1,54,02
	2,85,31
3 % Bombay Loan, 1956	2,97,18
3 % " " 1958	3,06,66
3 % Bombay State Development Loan, 1960	2,87,82
3 % Bombay Tapi Irrigation and Development Loan, 1961	67,96
3 % Bombay Development Loan, 1962	5,53,56
3½ % Bombay State Development Loan, 1962	2,95,25
4 % Bombay State Development Loan, 1963	5,42,28
4 % Bombay State Development Loan, 1964	3,55,87
4 % Bombay State Development Loan, 1967	10,02,21
	37,08,79
3 % Madhya Pradesh Loan, 1956	50,54
3 % " " " 1958	52,70
3 % " " " 1960	1,01,45
3½ % " " " 1962	1,02,18
4 % Madhya Pradesh State Development Loan, 1963	1,10,18
3 % Madhya Pradesh Loan, 1964	2,03,29
4 % " " " 1967	1,63,12
	7,83,46

STATE GOVERNMENT LOANS—(*Contd.*)	Amount Outstanding
(A) PART A STATES—(*Contd.*)	
3 % Madras Loan, 1956	1,25,10
3 % " " 1958	1,07,95
3 % " " 1959	1,23,96
3 % Madras Development Bonds, 1960	4,38,25
3 % " Development Loan, 1960	2,78,44
2¾ % " Loan, 1961	3,81,77
3½ % " " 1962	3,01,49
4 % " Government Loan, 1963	10,33,70
4 % " Loan, 1964	5,24,81
4 % " State Development Loan 1967.	10,47,17
	43,62,64
3 % Uttar Pradesh Loan, 1958	2,87,11
3 % " " " 1960	2,17,90
2¾ % " " " 1961	2,20,94
3 % " " " 1961-66	1,57,14
3½ % " " " 1962	1,91,02
4 % Development Loan, 1963	5,65,16
4 % " " " 1964	6,11,45
4 % " " " 1967	9,52,54
3½ % U. P. E. E. Act Bonds	1,68,93
	33,72,19
3½ % West Bengal Loan, 1962	1,75,00
4 % West Bengal Government Loan, 1963	3,60,23
4 % " " " " 1964	2,00,00
4 % " " " " 1967	7,58,72
	14,93,95
TOTAL (PART A STATES)	**1,45,06,50**
(B) PART B STATES	
4 % Hyderabad State Development Loan, 1963	3,34,71
4 % Hyderabad State Development Loan, 1967	2,12,42
	5,47,13
4 % Madhya Bharat State Development Loan, 1963	**1,04,78**
4 % Mysore Loan, 1953-63	2,95,85
3 % " " 1956-61	5,99,73
3 % " " 1958	5,08,06
4 % Mysore State Development Loan, 1963	3,33,47
4 % Mysore State Development Loan, 1967	3,54,94
	20,92,05
4 % Saurashtra State Development Loan, 1963	1,13,16
4 % Saurashtra State (Local Bodies Development) Loan, 1964	2,52,00
4 % Saurashtra State Development Loan, 1967	3,61,66
	7,26,82
4 % Travancore-Cochin State Development Loan, 1963	**3,25,61**
TOTAL (PART B STATES)	**37,96,39**
TOTAL OF PART A & PART B STATES	**1,83,02,89**

STATEMENT 73

MARKET BORROWINGS OF THE GOVERNMENT OF INDIA AND STATE GOVERNMENTS, 1951-56

Year and Description of Loan	Amount of Issue (Rs. crores)	Period of Maturity (No. of years)	Issue Price Rs. as.		Redemption yield at issue price (%)	Subscription Accepted (Rs. crores)				Repayment in cash of maturing Loans (Rs. crores)	Net borrowing (Rs. crores) (6–10)
						Cash	Conversion		Total		
							Description of Loan	Amount			
1	2	3	4		5	6	7	8	9	10	11
1951-52											
Central Government											
3 % Loan, 1958 ..	50.00	7	100	0	*3.00*	12.78	3% Loan, 1951-54	37.58	50.36	49.15	—36.37
State Governments											
3 % Bombay Tapi Irrigation Development Loan, 1961 ..	2.00	10	99	8	*3.06*	0.68	—	—	0.68	—	+ 0.68
3½% Bombay State Development Loan, 1962	3.00	11	100	0	*3.50*	3.04	—	—	3.04	—	+ 3.04
3½% Madras Government Loan, 1962 ..	3.00	11	99	12	*3.53*	3.01	—	—	3.01	—	+ 3.01
3½% Madhya Pradesh Loan, 1962 ..	1.00	11	99	8	*3.56*	1.02	—	—	1.02	—	+ 1.02
3½% Uttar Pradesh Loan, 1962 ..	2.00	11	99	8	*3.56*	2.03	—	—	2.03	—	+ 2.03
3½% West Bengal Loan, 1962	1.75	11	100	0	*3.50*	1.75	—	—	1.75	—	+ 1.75
Total of Part A States..	**12.75**					**11.53**		**—**	**11.53**	**—**	**+11.53**
Total of Centre & States	**62.75**					**24.31**		**37.58**	**61.89**	**49.15**	**—24.84**
1952-53											
Central Government						NIL					
State Governments											
4% Bombay State Development Loan, 1964..	3.50	12	100	0	*4.00*	3.67	—	—	3.67	—	+ 3.67
4% Madras Government Loan, 1964	5.00	12	99	12	*4.03*	4.50	3% Madras Loan, 1952	0.75	5.25	1.44	+ 3.06
4% Uttar Pradesh Loan, 1964	6.00	12	99	8	*4.05*	5.65	3% U.P. Loan, 1952	0.46	6.11	1.49	+ 4.16
4% West Bengal Loan, 1964	2.00	12	100	0	*4.00*	2.00	—	—	2.00	—	+ 2.00
Total of Part A States ..	**16.50**					**15.82**		**1.21**	**17.03**	**2.93**	**+12.89**
Total of Centre & States	**16.50**					**15.82**		**1.21**	**17.03**	**2.93**	**+12.89**
1953-54											
Central Government											
3½% National Plan Bonds, 1961 (First Issue)	75.00	8	98	4	*3.76*	23.42	3% Loan, 1953-55	51.87	75.29	63.29(*a*)	—39.8
State Governments											
4% Bombay State Development Loan, 1963 ..	5.00	10	100	0	*4.00*	5.50	—	—	5.50	—	+ 5.50
4% Madras Loan, 1963..	5.00	10	99	8	*4.06*	9.35	3% Madras Loan, 1953	0.99	10.34	0.58	+ 8.77

STATEMENT 73—(*Contd.*)

Year and Description of Loan	Amount of Issue (Rs. crores)	Period of Maturity (No. of years)	Issue Price Rs.	as.	Redemption yield at issue price (%)	Subscription Accepted (Rs. crores)				Repayment in cash of maturing Loans (Rs. crores)	Net borrowing (Rs. crores) (6—10)
						Cash	Conversion		Total		
							Description of Loan	Amount			
1	2	3	4		5	6	7	8	9	10	11
4% Madhya Pradesh State Development Loan, 1963	1.00	10	99	8	*4.06*	1.10	—	—	1.10	—	+ 1.10
4% Uttar Pradesh State Development Loan, 1963	5.00	10	99	8	*4.06*	5.65	—	—	5.65	—	+ 5.65
4% West Bengal Loan, 1963	3.00	10	100	0	*4.00*	3.60	—	—	3.60	—	+ 3.60
4% Bihar State Development Loan, 1963 ..	1.00	10	99	8	*4.06*	1.31	—	—	1.31	—	+ 1.31
Total of Part A States	**20.00**					**26.51**		**0.99**	**27.50**	**0.58**	**+25.93**
4% Madhya Bharat State Development Loan, 1963	1.00	10	99	8	*4.06*	1.05	—	—	1.05	—	+ 1.05
4% Mysore State Development Loan, 1963..	3.00	10	99	8	*4.06*	3.33	—	—	3.33	—	+ 3.33
4% Saurashtra State Development Loan, 1963	1.00	10	99	8	*4.06*	1.13	—	—	1.13	—	+ 1.13
4% Travancore-Cochin State Development Loan, 1963	3.00	10	99	8	*4.06*	1.60	3% Travancore Loan, 1952-54	1.66	3.26	—	+ 1.60
4% Hyderabad State Development Loan, 1963	3.25	10	99	8	*4.06*	3.35	—	—	3.35	—	+ 3.35
Total of Part B States ..	**11.25**					**10.46**		**1.66**	**12.12**		**+10.46**
Total of Part A & Part B States	**31.25**					**36.97**		**2.65**	**39.62**	**0.58**	**+36.39**
Total of Centre & States .	**106.25**					**60.39**		**54.52**	**114.91**	**63.87**	**— 3.48**
1954-55											
Central Government											
3½% National Plan Loan, 1964 ..	(*b*)	10	98		8(*c*) *3.68*	158.17	—	—	158.17(*d*)	2¼% Loan, 1954 35.06 3½% Loan, 1954-59 12.98	+110.13

STATEMENT 73—(*Contd.*)

Year and Description of Loan	Amount of Issue (Rs. crores)	Period of Maturity (No. of years)	Issue Price Rs. as.	Redemption yield at issue price (%)	Subscription Accepted (Rs. crores) Cash	Conversion Description of Loan	Conversion Amount	Total	Repayment in cash of maturing loans (Rs. crores)	Net borrowing (Rs. crores) (6—10)
1	2	3	4	5	6	7	8	9	10	11
State Governments										
4% Saurashtra State (Local Bodies Development) Loan, 1964	2.25	10	98 0	0(*e*) *4.25*	2.52	—	—	2.52	—	+ 2.52
									3% Cochin Loan, 1954 0.70 3% Travancore Loan, 1952-54 1.34	— 2.04
Total of Part B States	**2.25**				**2.52**			**2.52**	**2.04**	+ **0.48**
Total of Centre & States .	(*f*)				**160.69**			**160.69**	**50.08**	+ **110.61**
1955-56										
Central Government										
3½% National Plan Bonds (second series), 1965 ..	100.00	10	98 8	*3.68*	45.73	2½% Loan, 1955 4½% Loan 1955-60	57.95	103.68	12.43	+ 33.30
State Governments										
4% Andhra State Development Loan, 1967 (First Issue) ..	2.50	12	99 8	*4.05*	2.78	—	—	2.78	—	+ 2.78
(Second Issue) ..	2.00	12	99 8	*4.05*	2.22	—	—	2.22	—	+ 2.22
4% Bihar State Development Loan, 1967 ..	1.50	12	99 0	*4.11*	1.54	—	—	1.54	—	+ 1.54
4% Bombay State Development Loan, 1967 (First Issue) ..	6.00	12	100 0	*4.00*	6.20	3% Bombay Loan, 1955	0.48	6.68	2.49	+ 3.71
(Second Issue) ..	3.00	12	100 4	*3.97*	3.34	—	—	3.34	—	+ 3.34
4% Madhya Pradesh State Development Loan, 1967 (First Issue) ..	1.00	12	99 8	*4.05*	0.78	3% M.P. Loan, 1955	0.33	1.11	0.17	+ 0.61
(Second Issue) ..	0.50	12	99 8	*4.05*	0.52	—	—	0.52	—	+ 0.52

STATEMENT 73—(*Contd.*)

Year and Description of Loan	Amount of Issue (Rs. crores)	Period of Maturity (No. of years)	Issue Price Rs. as.	Redemption yield at issue price (%)	Subscription Accepted (Rs. crores)				Repayment in cash of maturing loans (Rs. crores)	Net borrowing (Rs. crores) (6—10)
					Cash	Conversion		Total		
						Description of Loan	Amount			
1	2	3	4	5	6	7	8	9	10	11
4% Madras Loan, 1967..	7.00	12	99 12	*4.03*	9.92	3% Madras Loan, 1955	0.55	10.47	0.68	+ 9.24
4% Uttar Pradesh State Development Loan, 1967 (First Issue) ..	6.00	12	99 8	*4.05*	6.78	—	—	6.78	—	+ 6.78
(Second Issue)..	2.50	12	99 8	*4.05*	2.75	—	—	2.75	—	+ 2.75
4% West Bengal Loan, 1967 (First Issue) ..	5.00	12	100 0	*4.00*	5.58	—	—	5.58	—	+ 5.58
(Second Issue)..	2.00	12	100 0	*4.00*	2.00	—	—	2.00	—	+ 2.00
Total of Part A States	**39.00**				**44.41**		**1.36**	**45.77**	**3.34**	**+ 41.07**
4% Hyderabad State Development Loan, 1967	2.00	12	99 0	*4.11*	2.12	..	..	2.12	—	+ 2.12
4% Mysore State Development Loan, 1967 (First Issue) ..	2.75	12	99 0	*4.11*	2.23	5% Mysore Loan, 1955	0.76	2.99	0.87	+ 1.36
(Second Issue)..	0.50	12	99 0	*4.11*	0.56	—	—	0.56	—	+ 0.56
4% Saurashtra State Development Loan, 1967 (First Issue) ..	2.00	12	99 0	*4.11*	2.22	—	—	2.22	—	+ 2.22
(Second Issue)..	1.25	12	99 0	*4.11*	1.40	—	—	1.40	—	+ 1.40
Total of Part B States ..	**8.50**				**8.53**	—	**0.76**	**9.29**	**0.87**	**+ 7.66**
Total of Part A & Part B States	**47.50**				**52.94**	—	**2.12**	**55.06**	**4.21**	**+ 48.73**
Total of Centre & States	**147.50**				**98.67**	—	**60.07**	**158.74**	**16.64**	**+ 82.03**
1951-56 Total										
Central Governments ..	(*f*)				**240.10**		**147.40**	**387.50**	**172.91**	**+ 67.19**
State Governments ..	**110.25**				**119.78**		**5.98**	**125.76**	**9.76**	**+110.02**
Central and State Governments	(*f*)				**359.88**		**153.38**	**513.26**	**182.67**	**+177.21**

Note :— The Statement excludes issues and repayments of the Uttar Pradesh Encumbered Estates Act Bonds and Uttar Pradesh Zamindari Abolition Compensation Bonds ; total issues and repayments of U.P.E.E. Act Bonds during 1951-56 amounted respectively to Rs. 8.8 lakhs and Rs. 86.6 lakhs; Zamindari Abolition Compensation Bonds. are issued since April 1954, total issues amounting to Rs. 34.03 crores.

(*a*) Of the maturing loan, Rs. 40 crores were held in the cash balance investment account of the Government of India.

(*b*) Issued without limit of amount and was a national loan covering both centre and States.

(*c*) Issue price was Rs. 98-8 from April 19, 1954 to April 24 and Rs. 98-8-9 between April 26 and May 1, increasing thereafter by 9 pies per cent weekly.

(*d*) Of this, Rs. 25.5 crores were allotted to the State Governments.

(*e*) Issue price was Rs. 98-0 between November 1, 1954 to November 6 and Rs. 98-1 from November 8 to November 13.

(*f*) Figures are not given here since the 3½% National Plan Loan, 1964 was issued without limit of amount.

STATE

PRINCIPAL ITEMS OF

	Post Office Savings Bank Deposits				National Savings Certificates(a)				Treasury Savings Deposit Certificates			
	Gross Receipts	Repayments	Net Receipts	Outstandings at the end of the period	Gross Receipts	Repayments	Net Receipts	Outstandings at the end of the period	Gross Receipts	Repayments	Net Receipts	Outstandings at the end of the period
	1	2	3	4	5	6	7	8	9	10	11	12
1 1950-51 ..	1,01,06	84,80	16,26	61,36	23,71	6,37	17,34	57,91	5,31	—	5,31	5,31
2 1951-52 ..	1,07,56	94,73	12,83	74,19	24,60	6,74	17,86	75,77	13,10	2	13,08	18,39
3 1952-53 ..	1,13,35	95,52	17,83	92,02	25,93	7,44	18,49	94,26	7,55	30	7,25	25,64
4 1953-54 ..	1,17,37	1,03,11	14,26	1,06,28	28,40	8,11	20,29	1,14,55	6,94	47	6,47	32,11
5 1954-55 ..	1,34,94	1,10,34	24,60	1,30,88	28,89	9,11	19,78	1,34,33	5,57	53	5,04	37,15
6 1955-56(e)..	1,52,96	1,20,83	32,13	1,63,01	29,13	9,85	19,28	1,53,61	4,79	69	4,10	41,25
7 April 1954	10,70	9,47	1,23	1,07,51	2,24	84	1,40	1,15,95	70	4	66	32,77
8 May ,,	10,02	10,40	—38	1,07,13	1,81	78	1,03	1,16,98	54	5	49	33,26
9 June ,,	10,48	9,39	1,09	1,08,22	1,99	71	1,28	1,18,26	39	4	35	33,61
10 July ,,	11,40	8,60	2,80	1,11,02	2,39	71	1,68	1,19,94	47	5	42	34,03
11 August ,,	10,23	8,18	2,05	1,13,07	2,31	63	1,68	1,21,62	45	4	41	34,44
12 September ,,	10,23	9,05	1,18	1,14,25	2,63	74	1,89	1,23,51	54	4	50	34,94
13 October ,,	8,95	8,23	72	1,14,97	2,01	71	1,30	1,24,81	42	3	39	35,33
14 November ,,	10,25	8,91	1,34	1,16,31	2,37	72	1,65	1,26,46	36	5	31	35,64
15 December ,,	11,36	9,11	2,25	1,18,56	2,45	87	1,58	1,28,04	40	6	34	35,98
16 January 1955	10,51	8,97	1,54	1,20,10	2,62	75	1,87	1,29,91	43	4	39	36,37
17 February ,,	11,13	8,95	2,18	1,22,28	2,39	83	1,56	1,31,47	40	3	37	36,74
18 March ,,	19,68	11,08	8,60	1,30,88	3,68	82	2,86	1,34,33	47	6	41	37,15
19 April ,,	12,41	10,07	2,34	1,33,22	2,46	73	1,73	1,36,06	45	5	40	37,55
20 May ,,	11,82	10,70	1,12	1,34,34	2,37	73	1,64	1,37,70	41	7	34	37,89
21 June ,,	12,26	10,34	1,92	1,36,26	2,22	87	1,35	1,39,05	37	4	33	38,22
22 July ,,	12,80	8,53	4,27	1,40,53	2,39	65	1,74	1,40,79	41	9	32	38,54
23 August ,,	12,25	8,98	3,27	1,43,80	2,21	72	1,49	1,42,28	39	6	33	38,87
24 September ,,	12,40	9,29	3,11	1,46,91	2,67	66	2,01	1,44,29	44	3	41	39,28
25 October ,,	11,35	9,27	2,08	1,48,99	2,21	77	1,44	1,45,73	46	6	40	39,68
26 November ,,	11,25	9,84	1,41	1,50,40	2,08	85	1,23	1,46,96	43	6	37	40,05
27 December ,,	12,94	10,90	2,04	1,52,44	2,76	98	1,78	1,48,74	36	7	29	40,34
28 January 1956	12,16	10,45	1,71	1,54,15	2,16	97	1,19	1,49,93	32	5	27	40,61
29 February ,,	12,87	10,82	2,05	1,56,20	2,49	93	1,56	1,51,49	39	5	34	40,95
30 March (e) ,,	18,45	11,64	6,81	1,63,01	3,11	99	2,12	1,53,61	36	6	30	41,25

Note.—Figures relate to Indian Union ; the outstandings do not include the Indian Union's share of pre-partition liabilities.

(*a*) Include twelve year, seven year and five year National Savings Certificates, the last being discontinued with effect from July 1, 1953.

(*e*) Figures are provisional ; constitutent items, therefore, do not necessarily add up to the totals.

MENT 74

SMALL SAVINGS (ANNUAL AND MONTHLY)

(Lakhs of Rupees)

Post Office Cash Certificates, Defence Savings Bank Deposits and Defence Savings Certificates			10 Year National Plan Certificates (b)		15 Year Annuity Certificates (c)		TOTAL				
Repayments	Net Receipts	Outstandings at the end of the period (d)	Net Receipts	Outstandings	Net Receipts	Outstandings	Total Gross Receipts	Total Repayments	Total Net Receipts	Total Outstandings at the end of the period	
13	14	15	16	17	18	19	20	21	22	23	
5,48	—5,48	—22,32	—	—	—	—	**1,30,08**	**96,65**	**33,43**	**1,02,26**	1
5,23	—5,23	—27,55	—	—	—	—	**1,45,26**	**1,06,72**	**38,54**	**1,40,80**	2
3,52	—3,52	—31,07	—	—	—	—	**1,46,83**	**1,06,78**	**40,05**	**1,80,85**	3
3,12	—3,12	—34,19	—	—	—	—	**1,52,71**	**1,14,81**	**37,90**	**2,18,75**	4
2,15	—2,15	—36,34	7,38	7,38	54	54	**1,77,32**	**1,22,13**	**55,19**	**2,73,94**	5
2,46	—2,46	- 38,80	9,04	16,42	41	95	**1,97,22**	**1,34,72**	**62,50**	**3,36,44**	6
20	— 20	—34,39	—	—	—	—	**13,64**	**10,55**	**3,09**	**2,21,84**	7
17	— 17	—34,56	34	34	—	—	**12,71**	**11,40**	**1,31**	**2,23,15**	8
16	— 16	—34,72	49	83	—	—	**13,35**	**10,30**	**3,05**	**2,26,20**	9
23	— 23	—34,95	76	1,59	11	11	**15,13**	**9,59**	**5,54**	**2,31,74**	10
21	— 21	—35,16	89	2,48	4	15	**13,92**	**9,06**	**4,86**	**2,36,60**	11
19	— 19	—35,35	1,57	4,05	9	24	**15,06**	**10,02**	**5,04**	**2,41,64**	12
14	— 14	—35,49	60	4,65	4	28	**12,02**	**9,11**	**2,91**	**2,44,55**	13
18	— 18	—35,67	58	5,23	6	34	**13,62**	**9,86**	**3,76**	**2,48,31**	14
19	— 19	— 35,86	56	5,79	5	39	**14,82**	**10,23**	**4,59**	**2,52,90**	15
16	— 16	—36,02	54	6,33	6	45	**14,16**	**9,92**	**4,24**	**2,57,14**	16
16	— 16	—36,18	48	6,81	5	50	**14,45**	**9,97**	**4,48**	**2,61,62**	17
16	— 16	—36,34	57	7,38	4	54	**24,44**	**12,12**	**12,32**	**2,73,94**	18
15	— 15	—36,49	48	7,86	4	58	**15,84**	**11,00**	**4,84**	**2,78,78**	19
14	— 14	—36,63	65	8,51	3	61	**15,30**	**11,66**	**3,64**	**2,82,42**	20
12	— 12	—36,75	81	9,32	4	65	**15,73**	**11,40**	**4,33**	**2,86,75**	21
9	— 9	—36,84	87	10,19	4	69	**16,55**	**9,40**	**7,15**	**2,93,90**	22
11	— 11	—36,95	81	11,00	3	72	**15,76**	**9,94**	**5,82**	**2,99,72**	23
14	— 14	—37,09	80	11,80	3	75	**16,49**	**10,27**	**6,22**	**3,05,94**	24
1,13	—1,13	—38,22	69	12,49	5	80	**14,87**	**11,34**	**3,53**	**3,09,47**	25
11	— 11	—38,33	71	13,20	5	85	**14,63**	**10,97**	**3,66**	**3,13,13**	26
10	— 10	—38,43	78	13,98	3	88	**16,98**	**12,16**	**4,82**	**3,17,95**	27
11	— 11	—38,54	75	14,73	3	91	**15,51**	**11,67**	**3,84**	**3,21,79**	28
12	— 12	—38,66	85	15,58	2	93	**16,70**	**12,00**	**4,70**	**3,26,49**	29
14	— 14	—38,80	84	16,42	2	95	**22,86**	**12,91**	**9,95**	**3,36,44**	30

(*b*) Ten-year National Plan Certificates are being issued since May 10, 1954.

(*c*) Fifteen year annuity certificates are being issued since July 1, 1954.

(*d*) Represent progressive net repayments since August 15, 1947.

STATEMENT 75

INDIA'S OVERALL BALANCE OF PAYMENTS—1955-56

A. CURRENT ACCOUNT

(Crores of Rupees)

Item	April-June 1955			July-September 1955			October-December 1955			January-March 1956			Year:1955-56(Preliminary)		
	Receipts	Payments	*Net*	Receipts	Payments	*Net*	Receipts	Payments	*Net*	Receipts	Payments	*Net*	Receipts	Payments	*Net*
1. Merchandise (Exports *f.o.b.* Imports *c.i.f.*)															
(*a*) Private (1) ..	153.4	146.6	+ *6.8*	149.2	144.3	+ *4.9*	164.9	147.2	+*17.7*	172.6	170.5	+ *2.1*	640.1	608.6	+*31.5*
(*b*) Government, Food and Stores (2) ..	0.5	30.1	—*29.6*	0.5	32.7	—*32.2*	0.6	37.3	—*36.7*	0.5	39.0	—*38.5*	2.1	139.1	—*137.0*
2. Non-monetary gold movement ..	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3. Foreign travel (3) ..	2.5	4.0	— *1.5*	2.4	3.5	— *1.1*	2.5	2.2	+ *0.3*	2.6	2.4	+ *0.2*	10.0	12.1	— *2.1*
4. Transportation (4) ..	9.6	4.1	+ *5.5*	8.2	3.8	+ *4.4*	9.9	3.5	+ *6.4*	10.5	3.5	+ *7.0*	38.2	14.9	+*23.3*
5. Insurance (4) ..	2.4	0.9	+ *1.5*	2.2	1.4	+ *0.8*	2.2	1.4	+ *0.8*	2.5	1.4	+ *1.1*	9.3	5.1	+ *4.2*
6. Investment income (5)..	6.2	9.3	— *3.1*	7.7	9.2	— *1.5*	7.6	5.8	+ *1.8*	8.3	4.9	+ *3.4*	29.8	29.2	+ *0.6*
7. Government, not included elsewhere (6) ..	5.7	3.8	+ *1.9*	5.4	3.3	+ *2.1*	8.8	3.3	+ *5.5*	6.7	3.1	+ *3.6*	26.6	13.5	+*13.1*
8. Miscellaneous (7) ..	6.8	4.4	+ *2.4*	6.5	5.4	+ *1.1*	5.7	4.5	+ *1.2*	7.2	6.0	+ *1.2*	26.2	20.3	+ *5.9*
9. Donations															
(*i*) Official (8) ..	8.4	—	+ *8.4*	12.3	—	+*12.3*	11.3	—	+*11.3*	14.2	—	+*14.2*	46.2	—	+*46.2**
(*ii*) Private (9) ..	13.4	5.7	+ *7.7*	13.3	4.6	+ *8.7*	13.8	5.5	+ *8.3*	15.1	4.8	+*10.3*	55.6	29.6	+*35.0*
10. **Total Current Transactions** ..	**208.9**	**208.9**	—	**207.7**	**208.2**	— *0.5*	**227.3**	**210.7**	+*16.6*	**240.2**	**235.6**	+ *4.6*	**884.1**	**863.4**	+*20.7**
Errors and Omissions ..			+ *5.1*			+*22.5*			— *9.6*			—*15.2*			+ *2.8*

(1) Includes estimates of unrecorded imports paid for with Indian currency notes. (2) Transactions under Government barter deals have not been included. (3) Data for receipts are incomplete. (4) 'Transportation' receipts cover estimated amounts for reimbursement of freight paid in advance by exporters and disbursements of foreign ships in Indian ports etc., and payments include operating expenses abroad of Indian steamship companies and some freight payments. It may, however, be noted that the data given for this and the subsequent item 'Insurance' give only a partial idea of the transactions on the two accounts. The two items are more or less complete on the receipts side but in regard to payments only a portion of the expenditure is entered here. Payments for imports under item 1 are mostly on a *c.i.f.* basis and therefore incorporate all but a small portion of the expenditure incurred by the country on 'Transportation' and 'Insurance.' (5) Receipts include interest on investments of the Reserve Bank of India. The payments figures are estimates. (6) The payments figures represent disbursements of the Government, e.g. for the upkeep of its organisations abroad and contributions to international organisations. (7) Covers receipts and payments mainly for services e.g. for film rentals, technicians and agency services. The item 'unclassified' under payments has been shown under the head 'Miscellaneous' while 'unclassified' receipts have been merged under appropriate heads on the basis of the Survey. (8) Represents contra entries for imports financed by aid received under the Colombo Plan and Indo-American Technical Co-operation Agreement and receipts of cash grants from the Ford Foundation. (9) Comprises unilateral transfers like maintenance remittances, receipts of missionaries, remittances of savings, migrants' transfers etc.

*Provisional.

B. CAPITAL ACCOUNT

Net movement increasing (+) or decreasing (—) (Crores of Rupees)

Item	April-June 1955			July-September 1955			October-December 1955			January-March 1956			Year: 1955-56 (Preliminary)		
	Assets	Liabilities	*Net Assets*	Assets	Liabilities	*Net Assets*	Assets	Liabilities	*Net Assets*	Assets	Liabilities	*Net Assets*	Assets	Liabilities	*Net Assets*
Private (excluding banking institutions) ..															
11. Long-term capital ..	— 1.2	— 7.2	*+ 6.0*	— 0.6	— 2.8	*+ 2.2*	— 0.8	— 2.2	*+ 1.5*	— 2.8	— 2.7	*— 0.1*	— 5.4	—14.9	*+ 9.6*
12. Short-term capital ..	— 0.1	— 1.2	*+ 1.1*	—	— 2.8	*+ 2.8*	— 0.2	— 0.2	—	—	+ 0.4	*— 0.4*	— 0.3	— 3.8	*+ 3.5*
Official and Banking Institutions															
13. Long-term capital															
13.1 Official loans (10)...	—	+ 1.0	*— 1.0*	—	+ 0.7	*— 0.7*	—	+ 0.5	*— 0.5*	—	+ 0.3	*— 0.3*	—	+ 2.5	*— 2.5**
13.2 Bank loans ..	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
13.3 Portfolio securities (11) ..	—	—	—	— 0.1	—	*— 0.1*	—	—	—	— 0.2	—	*— 0.2*	— 0.3	—	*— 0.3*
13.4 Amortization (12)	— 7.0	— 0.7	*— 6.3*	— 0.2	— 0.7	*+ 0.5*	— 1.8	— 1.0	*— 0.8*	— 0.4	— 0.9	*+ 0.5*	— 9.4	— 3.3	*— 6.1*
13.5 Other contractual repayments ..	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
13.6 Other ..	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
14. Short-term capital															
14.1 Payments and clearing agreements ..	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
14.2 Liabilities to IMF and IBRD (13) ..		—	—		— 7.1	*+ 7.1*		—	—		—	—		— 7.1	*+ 7.1*
14.3 Other liabilities to official and banking institutions (14) ..		— 9.5	*+ 9.5*		— 6.0	*+ 6.0*		+ 1.3	*— 1.3*		+ 26.3	*—26.3*		+12.1	*—12.1*
14.4 Other (15) ..	— 4.2	—	*— 4.2*	+ 4.1	— 0.1	*+ 4.2*	- 8.3	—	*+ 8.3*	+16.3	+ 0.1	*+16.2*	+24.5	—	*+24.5*
15. Monetary gold ..	—		—	—		—	—		—	—		—	—		—
16. Total movement of capital and monetary gold ..	—12.4	—17.5	*+ 5.1*	+ 3.1	—18.9	*- 22.0*	+ 5.5	— 1.5	*+ 7.0*	- 12.9	+23.5	*—10.6*	+ 9.1	—14.4	*+23.5**

(10) Represents drawings on IBRD loans. (11) Includes on the assets side changes in holdings of foreign securities by commercial banks. (12) Principal repayment of IBRD loans is entered on the liabilities side in addition to payments to Railway Annuity holders. The entries on the assets side relate to withdrawals from the Railway Annuities, the repayment of debt by Burma and in April-June 1955 a part payment by the U. K. of the excess Pensions Fund as a result of the transfer of pensions liabilities to the U. K. (13) Represents repurchase of rupees from the IMF. (14) Includes movements in the rupee balances held by non-resident banks and official institutions, foreign exchange liabilities of authorised dealers and Treasury bills held by foreign official institutions in India. (15) Includes on the assets side mainly the changes in the foreign exchange assets of the Reserve Bank of India, the balances of the India Supply Mission, Washington, and foreign exchange assets of authorised dealers. Liabilities cover movements in the rupee balances of non-resident individuals and firms and small releases of blocked assets by the Custodian of Ex-enemy Property.

*Provisional.

STATE

INDIA'S IMPORTS* OF

(Sea, Air

Commodities	January-March 1955			April-June 1955			July-September 1955		
	Dollar Area	Others	Total	Dollar Area	Others	Total	Dollar Area	Others	Total
Class I									
Fruits and vegetables	—	4,56	**4,56**	—	1,61	**1,61**	—	1,88	**1,88**
Grain, pulse and flour	1,30	19,42	**20,72**	3,47	8,94	**12,41**	41	1,17	**1,58**
Provisions and Oilman's Stores ..	42	2,94	**3,36**	56	2,22	**2,78**	88	2,49	**3,37**
Spices	—	86	**86**	—	1,22	**1,22**	—	1,86	**1,86**
Tobacco	27	14	**41**	27	10	**37**	68	4	**72**
Others	2,07	7,45	**9,52**	35	2,26	**2,61**	32	1,81	**2,13**
Total for the Group	**4,06**	**35,37**	**39,43**	**4,65**	**16,35**	**21,00**	**2,29**	**9,25**	**11,54**
Class II									
Other non-metallic mining and quarry products and the like ..	33	1,73	**2,06**	47	1,53	**2,00**	39	1,55	**1,94**
Oils, vegetable, mineral and animal..	2,37	16,48	**18,85**	1,28	12,10	**13,38**	3,92	12,50	**16,42**
Cotton, raw and waste	4,24	10,27	**14,51**	68	14,95	**15,63**	21	13,65	**13,86**
Wool, raw and waste	—	2,08	**2,08**	—	2,61	**2,61**	—	2,21	**2,21**
Jute, raw	—	4,55	**4,55**	—	4,08	**4,08**	—	4,08	**4,08**
Others	45	4,66	**5,11**	45	4,84	**5,29**	75	6,47	**7,22**
Total for the Group	**7,39**	**39,77**	**47,16**	**2,88**	**40,11**	**42,99**	**5,27**	**40,46**	**45,73**
Class III									
Chemicals, drugs and medicines ..	1,79	6,02	**7,81**	1,83	6,71	**8,54**	2,20	6,42	**8,62**
Cutlery, hardware etc.	58	4,81	**5,39**	57	4,75	**5,32**	88	5,02	**5,90**
Dyes and colours	24	4,32	**4,56**	37	4,34	**4,71**	18	3,14	**3,32**
Electrical goods and apparatus ..	34	3,07	**3,41**	26	3,00	**3,26**	32	3,22	**3,54**
Machinery of all kinds	3,75	20,41	**24,16**	4,26	21,27	**25,53**	3,73	22,15	**25,88**
Metals, iron and steel and manufactures thereof	95	8,78	**9,73**	2,13	9,09	**11,22**	2,09	9,75	**11,84**
Metals, other than iron and steel and manufactures thereof	2,18	4,24	**6,42**	1,11	4,23	**5,34**	77	5,14	**5,91**
Paper, pasteboard and stationery ..	13	3,32	**3,45**	31	3,31	**3,62**	35	3,21	**3,56**
Vehicles	4,53	5,79	**10,32**	3,24	8,06	**11,30**	4,42	7,04	**11,46**
Cotton yarns and manufactures ..	—	58	**58**	—	77	**77**	3	84	**87**
Woollen yarns and manufactures ..	—	51	**51**	—	50	**50**	—	89	**89**
Other yarns and textile fabrics ..	—	2,85	**2,85**	1	3,91	**3,92**	—	4,72	**4,72**
Others	51	4,13	**4,64**	65	4,27	**4,92**	79	4,26	**5,05**
Total for the Group	**15,00**	**68,83**	**83,83**	**14,74**	**74,21**	**88,95**	**15,76**	**75,80**	**91,56**
GRAND TOTAL@	**26,47**	**144,47**	**170,94**	**22,31**	**131,33**	**153,64**	**23,39**	**126,15**	**149,54**

†Provisional. * Including transit trade. ‡ The quarterly figures may not add up to the annual figures on account of revisions effected in the annual figures for which, however, quarterly breakdown is not available. @ Includes small amounts pertaining to Classes IV and V.

Source : Director-General of Commercial Intelligence and Statistics.

MENT 76

PRINCIPAL COMMODITIES † (QUARTERLY)

and Land)

(Lakhs of Rupees)

October-December 1955			January-March 1956			January-December 1955			April 1955-March 1956 ‡		
Dollar Area	Others	Total	Dollar Area	Others	Total	Dollar Area	Others	Total	Dollar Area	Others	Total
—	4,92	**4,92**	—	6,27	**6,27**	—	12,97	**12,97**	—	14,68	**14,68**
29	20	**49**	65	2,56	**3,21**	5,47	29,73	**35,20**	4,82	12,86	**17,68**
79	2,51	**3,30**	1,73	2,51	**4,24**	2,65	10,16	**12,81**	3,95	9,74	**13,69**
—	1,68	**1,68**	—	1,58	**1,58**	—	5,62	**5,62**	—	6,34	**6,34**
12	4	**16**	11	11	**22**	1,34	32	**1,66**	1,17	30	**1,47**
—	1,31	**1,31**	—	2,49	**2,49**	2,74	12,83	**15,57**	69	7,87	**8,56**
1,20	**10,66**	**11,86**	**2,49**	**15,52**	**18,01**	**12,20**	**71,63**	**83,83**	**10,63**	**51,79**	**62,42**
19	1,66	**1,85**	7	1,29	**1,36**	1,38	6,47	**7,85**	1,12	6,03	**7,15**
1,46	12,72	**14,18**	1,29	17,95	**19,24**	9,03	53,80	**62,83**	7,93	55,29	**63,22**
10	9,40	**9,50**	15	18,21	**18,36**	5,23	48,27	**53,50**	1,14	56,21	**57,35**
—	1,99	**1,99**	—	2,08	**2,08**	—	8,89	**8,89**	—	8,89	**8,89**
—	4,71	**4,71**	—	6,45	**6,45**	—	17,42	**17,42**	—	19,32	**19,32**
54	7,78	**8,32**	90	7,33	**8,23**	2,19	23,75	**25,94**	2,65	26,41	**29,06**
2,29	**38,26**	**40,55**	**2,41**	**53,31**	**55,72**	**17,83**	**158,60**	**176,43**	**12,84**	**172,15**	**184,99**
1,96	7,58	**9,54**	2,15	8,35	**10,50**	7,78	26,73	**34,51**	8,14	29,05	**37,19**
72	5,56	**6,28**	76	5,87	**6,63**	2,75	20,14	**22,89**	2,93	21,20	**24,13**
25	4,97	**5,22**	20	4,19	**4,39**	1,04	16,77	**17,81**	1,03	16,61	**17,64**
32	3,56	**3,88**	26	4,58	**4,84**	1,24	12,85	**14,09**	1,15	14,37	**15,52**
5,04	29,03	**34,07**	5,10	29,63	**34,73**	16,78	92,86	**109,64**	18,13	102,08	**120,21**
2,65	15,61	**18,26**	3,06	22,08	**25,14**	7,82	43,23	**51,05**	9,92	56,54	**66,46**
1,98	5,20	**7,18**	1,24	5,88	**7,12**	6,04	18,81	**24,85**	5,10	20,45	**25,55**
45	4,18	**4,63**	20	4,32	**4,52**	1,24	14,02	**15,26**	1,31	15,02	**16,33**
8,91	9,25	**18,16**	6,51	10,57	**17,08**	21,10	30,14	**51,24**	23,08	34,92	**58,00**
—	1,20	**1,20**	—	1,52	**1,52**	3	3,39	**3,42**	4	4,32	**4,36**
—	1,10	**1,10**	1	48	**49**	—	3,00	**3,00**	1	2,97	**2,98**
—	5,02	**5,02**	—	4,14	**4,14**	1	16,50	**16,51**	2	17,78	**17,80**
84	4,92	**5,76**	69	5,20	**5,89**	2,79	17,58	**20,37**	2,97	18,65	**21,63**
23,12	**97,18**	**120,30**	**20,18**	**106,81**	**126,99**	**68,62**	**316,02**	**384,64**	**73,83**	**353,97**	**427,80**
26,69	**147,26**	**173,95**	**25,20**	**176,65**	**201,85**	**98,86**	**549,21**	**648,07**	**97,61**	**581,38**	**678,99**

STATEMENT 77

PRINCIPAL IMPORTS INTO INDIA DURING 1950-51 TO 1955-56

(Sea, Air and Land)

(Value in lakhs of Rupees)

Item	Unit	1950-51		1951-52		1952-53		1953-54		1954-55		1955-56	
		Q.	V.	Q.	V.	Q.	V.	Q.	V.	Q.	V.	Q.	V.
CONSUMERS' GOODS													
1. Grain, pulse and flour† ..	'000 tons	2,096	80,76	4,793	2,28,12	3,990	161,28	1,436	72,48	1,227	68,37	432	17,68
2. Fruits and vegetables (excluding cashew-nuts)	value	—	7,87	—	10,62	—	9,08	—	9,56	—	10,00	—	9,84
3. Spices	'000 cwts	1,311	7,88	1,249	9,66	825	4,25	827	5,68	717	4,29	959	6,34
4. Textile manufactures (excluding yarn) ..	Value	—	3,35	—	8,48	—	5,64	—	4,79	—	4,37	—	6,84
5. Drugs and medicines ..	,,	—	9,98	—	15,61	—	11,47	—	12,47	—	13,28	—	15,01
PRODUCERS' GOODS													
(i) Raw materials													
1. Hides and skins, raw and tanned * ..	'000 cwts	146*	2,47	100*	1,23	83	80	94	1,12	127*	1,29	201*	1,98
2. Oils (excluding kerosene)	million gallons	575	41,48	682	60,28	641	60,06	693	64,88	639	61,42	549	43,69
3. Raw cotton	'000 tons	215	100,77	213	137,18	138	76,67	116	52,75	123	58,45	118	57,33
4. Raw jute	,,	334	27,57	425	67,08	237	16,48	246	14,32	218	13,00	269	19,33
5. Raw wool	million lbs.	12	5,62	4	2,59	3	71	5	1,78	3	1,00	5	1,42
6. Art silk yarn	,,	35	14,71	37	17,29	22	7,85	38	12,04	41	12,69	51	15,44
7. Chemicals (including chemical preparations)	Value	—	9,22	—	19,90	—	12,74	—	12,72	—	17,93	—	21,26
8. Dyes	million lbs.	14	12,78	15	16.07	7	8,51	16	16,63	15	17,37	13	14,97
(ii) Capital goods													
1. Machinery (excluding consumption items) .	Value	—	87,52	—	105,16	—	85,30	—	83,51	—	82,82	—	114,51
2. Electrical goods ,,	,,	—	9,45	—	10,19	—	14,85	—	13,10	—	11,18	—	15,02
3. Metals-iron and steel.	'000 tons	188	14,31	165	20,79	156	20,56	220	22,67	380	28,61	715	54,14
4. ,, —others ..	,,	271	32,74	89	22,76	105	22,71	87	16,14	152	28,44	297	38,29
**TOTAL (including others) ..	Value**	—	**623,36**	—	**943,13**	—	**669,88**	—	**571,93**	—	**656,26**	—	**678,83**

Note:—Figures are provisional. Q=Quantity. V=Value. * Incomplete.

† Excludes value of certain consignments of foodgrains awaiting adjustment.

Source :—Accounts relating to the Foreign Trade and Navigation of India.

STATEMENT 78

INDEX NUMBERS OF EXPORTS AND IMPORTS

(Reserve Bank of India series)

Period	Exports				Imports				*Net terms of Trade*†
	Food, Drink and Tobacco	Raw Materials	Manufactured Articles	General	Food, Drink and Tobacco	Raw Materials	Manufactured Articles	General	
					Quantity Index				
1950-51	111	80	122	110	62	101	83	83	
1951-52	115	63	89	89	141	107	89	108	
1952-53	107	83	93	94	79	79	67	74	
1953-54	98	74	114	99	64	100	114	95	
1954-55	104	82	115	102	72	104	130	105	
1955-56	102	124	117	115	39	95	183	114	
April 1955	71	99	108	96	68	80	148	104	
May ,,	59	131	126	110	56	91	146	102	
June ,,	90	131	107	109	39	92	174	109	
July ,,	84	130	128	118	35	110	154	105	
August ,,	132	106	127	122	33	92	142	95	
September ,,	119	130	139	131	24	75	173	100	
October ,,	116	110	103	108	24	74	177	103	
November ,,	103	115	120	114	27	89	228	128	
December ,,	113	130	125	123	28	88	204	117	
January 1956	124	99	95	103	44	82	201	121	
February ,,	108	129	113	115	54	109	224	140	
March ,,	136	154	120	133	42	162	207	148	
					Price Index*				
1950-51	130	143	122	129	97	106	113	106	*122*
1951-52	151	191	185	178	118	173	145	147	*121*
1952-53	134	120	108	116	132	116	137	128	*91*
1953-54	107	99	84	94	91	93	98	93	*101*
1954-55	130	98	84	100	78	94	101	91	*110*
1955-56	114	92	81	93	84	98	98	94	*99*
April 1955	138	97	95	107	82	101	100	94	*114*
May ,,	114	94	85	95	84	98	99	93	*102*
June ,,	114	96	85	96	80	99	99	94	*102*
July ,,	118	90	85	95	77	98	101	94	*101*
August ,,	119	91	83	95	76	100	95	92	*103*
September ,,	115	88	80	92	85	104	102	99	*93*
October ,,	119	88	80	93	85	99	101	96	*97*
November ,,	120	91	79	93	87	93	106	95	*98*
December ,,	115	94	80	93	86	102	99	97	*96*
January 1956	108	92	80	91	86	102	99	97	*94*
February ,,	102	96	80	90	82	101	99	96	*94*
March ,,	114	99	78	94	80	101	113	99	*95*

Note.—Base 1948-49 = 100 upto 1952-53, and 1952-53 = 100 thereafter.
† Ratio of Export Price Index to Import Price Index.
* Export Price Indices inclusive of duty.

STATEMENT 79

MAJOR CHANGES IN IMPORT CONTROLS AND IMPORT POLICY, 1955-56

Item	Date of Announcement	Details
Newsprint	April 2, 1955	Newsprint, other than coloured newsprint, removed from Open General Licence No. XXXV and placed under quota licensing. A quota of 110%, based on actual imports in any of the three financial years ending March 31, 1955 allotted (to established importers for import from soft currency area).
	May 16, 1955	Imports from Dollar area also allowed on a separate quota of 110 per cent.
Import Policy for July-December 1955	June 29, 1955	Quotas increased in respect of items needed for industry and items not available from internal sources in sufficient quantities, including among others, antimony-ingot, drills and reamers, house service meters, textile preservatives etc. Quotas reduced for items such as hack-saw blades, certain varieties of iron and steel chains, V. belts, shuttles, polishes and polishing compositions, sparking plugs, certain chemicals etc. whose rising internal production facilitated satisfaction of the major portion of the requirements. Eighteen new items including, white metal, fabricated iron and steel, road rollers etc. thrown open to actual users. Dollar licences for 55 items upgraded by either stepping up the quotas for established importers or by granting permission to utilise a portion of the soft currency licences for imports from the dollar area. The basic period extended to include 1953-54 for 92 items. The scope of the newcomer scheme was further expanded and an important concession made to the small importer by fixing the minimum value of licence at Rs. 500 irrespective of the licensee's entitlement on the quota basis.
Open General Licences XXXIX to XLII	September 29, 1955	O.G.L. Nos. XXXV to XXXVII due for expiry on September 30, 1955 replaced by O. G. L. Nos. XXXIX to XLI valid upto September 30, 1956 and O. G. L. XXXVIII (applicable to Pakistan) by O.G.L. XLII valid upto the end of August 1956. Articles like electrodes made of brass, bronze and similar alloys, aluminium-scrap, air cleaners, asphalt etc. removed from the dollar O.G.L. and new items like copper and bronze flexible pipes or tubes, certain drugs and medicines etc. added to the O. G. L. Certain items like antimonial lead in the ingot and wrought form, certain machinery items, fishing hooks etc. removed from soft O.G.L. and new items like die-stamping press, certain chemicals etc. added. Most of the items removed from O.G.L. were placed either on the liberal licensing list or allowed a 100% quota.
Import Policy for January-June 1956	December 30, 1955	Stability maintained by continuing the policy and procedures obtaining in the previous period. Rising industrial production in the country taken advantage of to release larger resources for industrial raw materials and machinery to sustain the rising tempo of industrialisation and special provision made for the requirements of small scale industries. Enhanced quotas for a number of small tools like milling and gear cutters, reamers, twist drills and carbide tipped drills etc. and quotas for items such as buttons, pruning knives, textile preservatives, water meters etc. reduced. Items like powdered milk, tobacco manufactured, cigars etc. removed from Liberal Licensing list. The basic period for 135 items extended to include 1954-55. Dollar imports permitted in respect of milk foods, electrodes, diesel engines above 30 H. P. etc. Flower seeds added to dollar O.G.L. and woollen noils to soft O.G.L.

STATEMENT 79—(*Contd.*)

Item	Date of Announcement	Details
Raw cotton	May 11, 1955	Decision not to allow imports of cotton from non-dollar areas during January-June 1955.
	May 23, 1955	Decision to resume licensing of imports of cotton stapling 1¼″ and above from non-dollar areas.
	June 30, 1955	Decision to continue the policy of restricting the import of non-dollar cotton to staple length 1¼″ and above during July and August 1955.
	September 22, 1955	Import licences for foreign cotton, stapling 1¼″ and above from non-dollar areas would be granted to mills and importers for certain varieties only.
	November 13, 1955	Decision to permit imports of cotton stapling 1¼″ and above from non-dollar areas against production of evidence of purchase from overseas supplies and against firm sales to mills for certain additional varieties.
	December 13, 1955	Import of cotton stapling 1-1/16″ and above from dollar and non-dollar areas resumed. Licences issued against prior sales to mills and importers. Dollar area quota for cotton to be confined to U.S.A. alone.
	December 20, 1955	Decision to stop imports of cotton from U.S.A. Imports of 1-1/16″ and above from dollar area to continue.
	February 15, 1956	Import of raw cotton stapling 7/8″ and above from Pakistan to be allowed.

STATE

INDIA'S EXPORTS† OF

(Sea, Air

Commodities	January-March 1955			April-June 1955			July-September 1955		
	Dollar Area	Others	Total	Dollar Area	Others	Total	Dollar Area	Others	Total
Class I									
Fruits and vegetables	1,73	1,11	**2,84**	3,03	83	**3,86**	3,17	81	**3,98**
Spices	1,45	1,88	**3,33**	82	1,70	**2,52**	31	1,15	**1,46**
Tea	5,28	33,08	**38,36**	1,15	9,80	**10,95**	3,82	29,71	**33,53**
Tobacco	—	3,04	**3,04**	—	3,57	**3,57**	—	2,55	**2,55**
Others	3	5,76	**5,79**	2	5,42	**5,44**	3	4,41	**4,44**
Total for the Group	**8,49**	**44,87**	**53,36**	**5,02**	**21,32**	**26,34**	**7,33**	**38,63**	**45,96**
Class II									
Other non-metallic and mining and quarry products and the like ..	1,39	1,67	**3,06**	1,15	1,49	**2,64**	98	1,53	**2,51**
Gums, resins and lac	94	2,48	**3,42**	1,70	2,03	**3,73**	1,22	2,06	**3,28**
Hides and Skins, raw	62	1,43	**2,05**	59	99	**1,58**	58	69	**1,27**
Metallic ores and scrap iron or steel for re-manufacture	1,13	3,08	**4,21**	1,54	2,95	**4,49**	69	3,48	**4,17**
Oils, vegetable, mineral and animal .	1,43	10,79	**12,22**	1,09	10,42	**11,51**	65	8,20	**8,85**
Seeds	1,30	1,34	**2,64**	95	63	**1,58**	2	59	**61**
Cotton, raw and waste	76	6,61	**7,37**	38	5,91	**6,29**	37	11,38	**11,75**
Wool, raw and waste	84	90	**1,74**	79	1,06	**1,85**	81	1,09	**1,90**
Others	51	5,82	**6,33**	62	5,94	**6,56**	61	6,53	**7,14**
Total for the Group	**8,92**	**34,12**	**43,04**	**8,81**	**31,42**	**40,23**	**5,93**	**35,55**	**41,48**
Class III									
Hides and Skins, tanned or dressed and leather	16	5,97	**6,13**	16	4,49	**4,65**	24	5,89	**6,13**
Cotton yarns and manufactures	41	15,89	**16,30**	37	15,02	**15,39**	35	16,21	**16,56**
Jute yarns and manufactures	11,04	18,72	**29,76**	11,17	19,64	**30,81**	12,53	25,54	**38,07**
Woollen yarns and manufactures	17	97	**1,14**	20	76	**96**	30	91	**1,21**
Others	81	9,58	**10,39**	90	9,71	**10,61**	94	8,21	**9,15**
Total for the Group	**12,59**	**51,13**	**63,72**	**12,80**	**49,62**	**62,42**	**14,36**	**56,76**	**71,12**
GRAND TOTAL§	**30,08**	**131,16**	**161,24**	**26,76**	**103,23**	**129,99**	**27,71**	**132,07**	**159,78**

† Indian Merchandise. ‡ Provisional. § Includes small amounts pertaining to Classes IV and V. * The quarterly figures may not add up to the annual figures on account of revisions effected in the annual figures for which, however, quarterly break-down is not available.

Source : Director-General of Commercial Intelligence and Statistics.

MENT 80

PRINCIPAL COMMODITIES ‡ (QUARTERLY)

and Land) (Lakhs of Rupees)

October-December 1955			January-March 1956			January-December 1955			April 1955-March 1956*		
Dollar Area	Others	Total	Dollar Area	Others	Total	Dollar Area	Others	Total	Dollar Area	Others	Tota
2,21	1,20	**3,41**	2,86	1,18	**4,04**	10,14	3,95	**14,09**	11,25	4,05	**15,30**
81	2,43	**3,24**	1,01	2,45	**3,46**	3,39	7,16	**10,55**	2,96	7,72	**10,68**
2,86	27,12	**29,98**	3,66	31,01	**34,67**	13,11	99,71	**112,82**	11,51	97,63	**109,14**
—	4,19	**4,19**	—	1,52	**1,52**	—	13,35	**13,35**	—	11,83	**11,83**
3	4,17	**4,20**	14	5,11	**5,25**	11	19,76	**19,87**	22	19,09	**19,31**
5,91	**39,11**	**45,02**	**7,67**	**41,27**	**48,94**	**26,75**	**143,93**	**170,68**	**25,94**	**140,32**	**166,26**
1,06	1,49	**2,55**	1,49	1,79	**3,28**	4,58	6,18	**10,76**	4,68	6,30	**10,98**
1,37	2,05	**3,42**	89	1,67	**2,56**	5,23	8,62	**13,85**	5,17	7,83	**13,00**
66	1,17	**1,83**	65	1,26	**1,91**	2,45	4,28	**6,73**	2,49	4,10	**6,59**
88	6,03	**6,91**	67	5,26	**5,93**	4,24	15,54	**19,78**	4,77	16,74	**21,51**
1,55	7,88	**9,43**	32	9,26	**9,58**	4,72	37,29	**42,01**	3,61	35,76	**39,37**
9	39	**48**	29	1,10	**1,39**	2,36	2,95	**5,31**	1,35	2,70	**4,05**
30	8,98	**9,28**	29	11,77	**12,06**	1,81	32,88	**34,69**	1,35	38,03	**39,38**
91	1,70	**2,61**	1,42	1,95	**3,37**	3,35	4,75	**8,10**	3,93	5,80	**9,73**
57	5,77	**6,34**	70	5,21	**5,91**	2,31	24,06	**26,37**	2,52	23,42	**25,94**
7,39	**35,46**	**42,85**	**6,72**	**39,27**	**45,99**	**31,05**	**136,55**	**167,60**	**29,87**	**140,68**	**170,55**
23	5,42	**5,65**	29	6,26	**6,55**	79	21,77	**22,56**	92	22,07	**22,99**
62	14,94	**15,56**	54	15,51	**16,05**	1,75	62,06	**63,81**	1,87	61,68	**63,55**
12,39	15,07	**27,46**	9,27	12,64	**21,91**	47,13	78,97	**126,10**	44,50	73,75	**118,25**
24	77	**1,01**	25	78	**1,03**	91	3,41	**4,32**	98	3,24	**4,22**
1,19	9,38	**10,57**	69	9,84	**10,53**	3,84	36,88	**40,72**	3,73	37,11	**40,84**
14,67	**45,58**	**60,25**	**11,04**	**45,03**	**56,07**	**54,42**	**203,09**	**257,51**	**52,00**	**197,85**	**249,85**
28,01	**121,04**	**149,05**	**25,56**	**126,46**	**152,02**	**112,56**	**487,50**	**600,06**	**108,17**	**482,68**	**590,85**

STATEMENT 81

PRINCIPAL EXPORTS FROM INDIA DURING 1950-51 TO 1955-56

(Sea, Air and Land)

(Value in Lakhs of Rupees)

Item	Unit	1950-51		1951-52		1952-53		1953-54		1954-55		1955-56	
		Q.	V.	Q.	V.	Q.	V.	Q.	V.	Q.	V.	Q.	V.
A. CONSUMERS' GOODS													
1. Cashew kernels ..	'000 cwts	508	8,55	426	9,05	558	12,98	533	10,99	680	10,70	670	12,92
2. Black Pepper ..	„	308	20,40	298	23,22	248	16,06	255	12,87	276	6,99	263	4,71
3. Tea	Mn. lbs.	439	79,87	429	93,98	427	80,88	471	102,19	459	147,74	404	109,14
4. Cotton piecegoods† ..	Mn. yds.	1,283	118,00	427*	52,15	621*	62,07	771	63,65	821	63,31	740	56,63
5. Woollen carpets & rugs	Value	—	5,56	—	5,88	—	2,80	—	3,69	—	3,87	—	3,97
B. PRODUCERS' GOODS													
1. Coal	'000 tons	994	3,44	2,801	9,55	2,667	9,83	1,907	6,84	1,930	5,72	1,458	4,25
2. Mica	'000 cwts	407	10,00	408	13,21	284	9,01	255	8,00	373	6,72	519	8,37
3. Manganese ore	'000 tons	821	8,01	1,125	15,69	1,440	21,78	1,568	24,23	990	12,92	921	10,72
4. Gums, Resins and Lac ..	'000 cwts	781	13,61	821	16,27	763	8,11	654	7,43	656	11,51	713	12,99
5. Hides and Skins, raw and tanned	'000 tons	41*	34,91	41*	33,54	37*	25,80	38	31,06	36	27,77	35	29,11
6. Vegetable oils ..	Mn. gallons	30	25,26	21*	23,61	34*	26,55	8*	4,89	40*	20,02	68*	34,33
7. Raw cotton	'000 tons	15	4,94	23	13,68	71	19,33	35	9,40	30	10,19	121*	29,69
8. Raw wool	Mn. lbs.	25	7,87	18	4,90	38	8,41	21	5,87	31	8,61	34	9,73
9. Gunny bags ..	'000 tons	345*	55,39	473	135,29	371	61,39	353	40,24	451	56,85	452	54,19
10. Gunny cloth	„	266	52,91	287	124,58	304	63,07	389	69,43	360	62,54	363	59,08
TOTAL EXPORTS (including others) ..	Value	—	**596,79**	—	**729,07**	—	**572,34**	—	**525,81**	—	**588,47**	—	**590,85**

Note.—(1) Exports are on *f. o. b.* basis from 1951-52 (2) Exports are of Indian merchandise only and (3) Figures are provisional.
* Incomplete. † Hand-loom and Mill-made. Q = Quantity. V = Value. Mn = Million.

Source :—Accounts relating to the Foreign Trade and Navigation of India.

STATEMENT 82

EXPORTS OF GUNNY CLOTH AND GUNNY BAGS TO PRINCIPAL COUNTRIES

(By Sea, Air and Land)

(Thousand Tons)
(Lakhs of Rupees)

	Jan.-Mar. 1955		April-June 1955		July-Sept. 1955		Oct.-Dec. 1955		Jan.-Mar. 1956		Jan.-Dec. 1955		April 1955-March 1956	
	Q.	V.	Q.	V.	Q.	V.	Q.	V.	Q.	V.	Q.	V.	Q.	V.
GUNNY CLOTH														
Sterling Area Countries :														
U. K.	19.1	3,29	6.2	1,06	7.5	1,17	9.6	1,24	12.3	1,79	42.4	6,85	35.5	5,35
Australia	3.9	72	3.6	64	4.1	72	3.8	62	3.7	59	15.4	2,70	15.2	2,57
New Zealand ..	0.9	19	1.2	23	1.0	17	0.8	13	0.6	9	3.9	70	3.5	61
Other Soft Currency Countries :														
Egypt	1.5	19	1.6	21	0.8	11	1.2	15	1.5	19	5.1	66	5.1	65
Uruguay	1.0	18	3.9	63	4.5	78	0.1	3	0.1	3	9.5	1,62	8.7	1,46
Argentina	0.3	6	—	—	44.8	7,87	17.1	2,47	0.9	13	64.3	10,88	62.8	10,47
Dollar Countries :														
U.S.A.	44.3	7,91	41.3	8,06	44.4	7,32	50.2	7,67	37.5	5,81	180.2	30,96	173.3	28,87
Canada	7.8	1,28	7.9	1,37	12.0	1,89	3.9	53	8.2	1,23	31.6	5,07	31.9	5,02
Philippines	0.1	1	0.4	7	0.1	2	0.2	1	—	—	0.8	11	0.6	10
Total (including others)	**83.1**	**14,52**	**71.3**	**13,20**	**128.7**	**21,68**	**94.3**	**14,04**	**68.2**	**10,16**	**377.4**	**63,44**	**362.5**	**59,08**
GUNNY BAGS														
Sterling Area Countries:														
U.K.	5·2	75	5.2	82	4.5	61	3.4	41	4.8	64	18.3	2,59	17.8	2,48
Australia	23.1	2,82	43.5	4,29	24.8	3,00	13.7	1,52	23.9	2,37	105.1	11,63	105.9	11,19
Burma	3.8	42	8.4	1,16	7.8	93	1.3	14	5.7	66	21.3	2,65	23.2	2,89
Nigeria	3.3	45	5.8	75	4.0	49	4.1	47	3.1	35	17.2	2,16	17.1	2,06
Other Soft Currency Countries :														
Egypt	3.0	53	5.8	89	9.1	1,07	7.6	85	3.6	48	25.5	3,34	26.1	3,29
Peru	1.9	26	2.6	34	3.5	41	3.4	40	1.7	21	11.4	1,41	11.3	1,35
Thailand	6.6	94	4.8	60	2.9	33	3.6	38	5.8	65	17.9	2,25	17.1	1,96
Dollar Countries :														
U.S.A.	0.2	2	0.2	4	0.1	1	0.1	3	0.4	5	0.6	10	0.8	12
Cuba	2.5	35	1.3	19	14.9	1,80	18.1	2,08	1.1	16	36.8	4,42	35.4	4,23
Total (including others)	**104.7**	**13,91**	**128.5**	**15,97**	**123.4**	**15,11**	**106.7**	**12,36**	**93.9**	**10,76**	**463.3**	**57,34**	**452.4**	**54,19**

Source : Accounts relating to the Foreign Trade and Navigation of India.

Q = Quantity. V = Value.

STATEMENT 83

EXPORTS OF COTTON PIECEGOODS* TO PRINCIPAL COUNTRIES

(By Sea, Air and Land) (Millions of Yards) (Lakhs of Rupees)

Principal Countries	Jan.-Mar. 1955		April-June 1955		July-Sept. 1955		Oct.-Dec. 1955		Jan.-Mar. 1956		Jan.-Dec. 1955		April 1955-March 1956	
	Q.	V.	Q.	V.	Q.	V.	Q.	V.	Q.	V.	Q.	V.	Q.	V.
Sterling Area Countries :														
U. K.	29.9	2,17	23.4	1,76	16.8	1,25	15.6	1,21	25.5	1,81	85.7	6,40	81.3	6,04
Malaya (including Singapore) ..	11.8	83	7.2	53	5.4	42	11.1	74	11.2	80	35.5	2,52	35.1	2,49
Aden	13.4	83	11.8	74	10.1	62	8.9	58	7.3	51	44.2	2,77	38.1	2,45
Ceylon	4.3	37	6.3	51	4.5	39	6.1	54	5.0	45	21.2	1,81	21.9	1,89
Nigeria	10.0	66	15.9	1,06	18.2	1,22	9.4	63	10.1	62	53.5	3,57	53.6	3,53
Tanganyika Territory	3.7	26	11.5	69	5.5	52	6.1	43	3.2	22	26.8	1,90	26.2	1,86
Kenya†	7.3	52	7.4	51	8.6	65	11.2	76	7.4	48	34.5	2,44	34.5	2,40
Australia	10.5	1,04	11.5	1,10	9.7	94	9.8	1,00	10.2	90	41.5	4,08	41.2	3,94
Burma	6.7	43	0.3	3	0.2	19	3.4	3	8.1	62	10.6	68	12.1	88
Other Soft Currency Countries :														
A. E. Sudan ..	18.2	89	19.0	94	12.5	62	14.0	67	18.9	91	63.7	3,12	64.3	3,14
Afghanistan ..	5.6	38	2.4	16	1.3	9	4.0	28	4.7	36	13.3	93	12.3	89
Total (including others)	**181.2**	**12,90**	**181.8**	**12,86**	**172.4**	**12,28**	**156.7**	**11,27**	**169.7**	**11,74**	**692.1**	**49,33**	**680.8**	**48,17**

* Mill-made cotton piece-goods only.
† Includes Zanzibar and Pemba for one quarter, January—March, 1955. Q=Quantity. V=Value.
Source : Accounts relating to the Foreign Trade and Navigation of India.

STATEMENT 84

EXPORTS OF TEA TO PRINCIPAL COUNTRIES

(By Sea, Air and Land) (Millions of Lbs.) (Lakhs of Rupees)

Principal Countries	Jan.-Mar. 1955		April-June 1955		July-Sept. 1955		Oct.-Dec. 1955		Jan.-Mar. 1956		Jan.-Dec. 1955		April 1955-March 1956	
	Q.	V.	Q.	V.	Q.	V.	Q.	V.	Q.	V.	Q.	V.	Q.	V.
Sterling Area Countries :														
U. K.	65.1	23,24	28.0	7,37	80.2	21,67	76.0	21,15	96.5	23,76	249.4	73,43	280.8	73,95
Irish Republic ..	4.5	1,65	1.4	44	7.3	2,34	4.7	1,38	6.3	1,45	17.9	5,81	19.7	5,61
Australia	2.6	94	0.2	5	1.9	47	1.5	37	2.6	62	6.2	1,83	6.2	1,51
Kuwait	1.6	74	0.1	4	0.8	24	0.9	25	0.9	20	3.5	1,27	2.8	73
Other Soft Currency Countries :														
Netherlands ..	0.9	41	0.2	7	0.7	23	1.1	29	2.0	45	2.9	100	4.0	1,04
A. E. Sudan ..	0.3	11	0.8	19	1.6	37	0.5	10	0.1	-2	3.2	77	3.0	69
Chile	1.2	52	—	—	—	—	—	—	—	—	1.2	52	—	—
Egypt	3.8	1,60	1.2	33	5.5	1,60	2.6	73	5.4	1,46	13.1	4,26	14.7	4,12
Dollar Countries :														
U. S. A.	8.0	3,16	1.8	55	8.3	2,27	6.1	1,75	9.2	2,22	24.2	7,72	25.4	6,78
Canada	5.1	2,11	2.1	60	5.4	1,57	3.9	1,12	5.9	1,44	16.5	5,40	17.3	4,72
Total* (including others)	**100.9**	**38,37**	**39.0**	**10,95**	**119.3**	**33,53**	**105.8**	**29,97**	**139.3**	**34,67**	**365.1**	**112,82**	**403.5**	**109,14**

* Total includes Tea green and Tea black. Q=Quantity. V=Value.
Source : Accounts relating to the Foreign Trade and Navigation of India.

STATEMENT 85

CHANGES IN EXPORT DUTIES, 1955-56

Item	Unit	From	To	Effective from
Tea*	lb.	10 annas	8 annas	April 1, 1955
"	"	8 annas	4 annas	June 1, 1955
"	"	4 annas	6 annas	August, 1, 1955
"	"	6 annas	8 annas	October 1, 1955
"	"	8 annas	6 annas	January 1, 1956
Raw cotton	bale	Rs. 150	Rs. 125	July 1, 1955
Raw cotton of the following varieties viz. Bengal Deshi, Mathias, Kalagins, Dholleras, C.P. I, C.P. II, Central India Deshi, Oomras and other varieties up to and inclusive of 25/32 inches in staple length.		Rs. 125	Rs. 50	August 4, 1955
Yellow pickings and zoda cotton		30% *ad valorem*	30% *ad valorem* or Rs. 50 per bale whichever is lower.	September 15, 1955
Jute Manufactures :				
Sacking	Ton	Rs. 80	Nil	August 2, 1955
Hessian		Rs. 120	Nil	"
Oils, Oilseeds and Oilcakes :				
Groundnut oil		Rs. 100	Rs. 150	August 11, 1955
Sesamum oil		Rs. 300	Rs. 75	May 1, 1955
Cotton seed oil		Rs. 60	Nil	"
Cotton seed oilcake, Decorticated		Rs. 100	Rs. 30	May 1, 1955
Cotton seed oilcake, Undecorticated		Rs. 50	Rs. 30	"
Kardi-seed, Niger-seed and Castor-seed oilcakes		Rs. 50	Nil	"
Iron and steel articles		45% *ad valorem*	Nil	August 13, 1955
Black Pepper		15 % *ad valorem*	Nil	September 19, 1955
Coffee	Cwt.	Rs. 21	Nil	June 30, 1955

* The item is subject to the slab system of duty and hence the duty varies according to its price. The price is fixed by the Government by notification from time to time. The duty variations given above are in accordance with prices fixed by the Government. The slabs and the relative duties (per lb.) are as follows :

Price upto Rs. 2/8 —4 as.
Between Rs. 2/8 and Rs. 3/4—6 as.
Between Rs. 3/4 and Rs. 4—8 as. (reduced on March 1, 1956 to 6 as.)
Between Rs. 4 and Rs. 4/12—10 as.
Above Rs. 4/12—12 as.

STATEMENT 86

MAJOR EXPORT LIBERALISATION MEASURES, 1955-56*

Item	Date of Announcement	Details
Raw Cotton	April 28, 1955	A quota of 1 lakh bales released for export upto August 31, 1955 for Indian cotton of all varieties excepting Bengal Deshi of staple length ¾″ and below of any crop.
	May 16, 1955	Decision to allow exports of cocanada cotton upto a ceiling of 6,000 bales from the Port of Madras upto August 31, 1955.
	May 27, 1955	Export of Zoda cotton to be allowed freely within a ceiling of 30,000 bales.
	May 27, 1955	The limit of staple length raised to 25/32″ for all exports of raw cotton released for the current cotton season.
	July 11, 1955	1.5 lakh bales of raw cotton comprising 1 lakh bales of Mathias, Kalagins, Dholleras, Oomras, CPI, CPII and Central India Deshi of staple length 3/4″ and below and 50,000 bales of all varieties except Bengal Deshi upto and inclusive of 25/32″ staple length released for export upto end of August 1955.
	August 6, 1955	5,000 bales of Zoda cotton released for export.
	August 8, 1955	30,000 bales of raw cotton of staple length 26/32″ released for shipment upto end of December 1955.
	August 13, 1955	A further 10,000 bales of raw cotton of staple length 25/32″ released for export to China.
	September 17, 1955	2.5 lakh bales of raw cotton comprising 2 lakh bales of all varieties of staple length ¾″ and below except Bengal Deshi and Red Cocanada, 25,000 bales of Indian cotton of all varieties of staple length 25/32″ except Cocanada and 25,000 bales of Bengal Deshi released for export; licences valid upto end of December 1955.
	September 17, 1955	Decision to license freely for export, Assams and Comillas, Zoda cotton, cotton pickings and sweepings, yellow pickings and cotton linters during the 1955-56 cotton season.
	November 3, 1955	A bonus quota of one lakh bales of raw cotton of all varieties of stapling ¾″ and below except Cocanadas and Bengal Deshi released, to be distributed among quota holders on the basis of actual performance—50,000 bales of Bengal Deshi also released, both valid for shipment till March 31, 1956.

*Only announcements regarding fresh quotas have been listed here and minor changes such as extensions of validity periods of shipment and extensions of free licensing periods which are merely a continuation of the previous years' policy have been excluded from the scope of the Statement. The free licensing policy was continued during the year in respect of the following: *viz.* Mustard and Rape oils, Castor oil, Linseed oil, Kardi and Niger seed oils, Cotton piecegoods and Hard cotton waste. For previous quotas please refer to Statement 75 of last year's Report.

STATEMENT 86—(*Contd.*)

Item	Date of Announcement	Details
Raw Cotton (contd.)	November 12, 1955	5,000 bales of cocanada cotton released for export upto end of March 1956.
Soft Cotton Waste	June 27, 1955	A quota of 10,000 bales fixed for export during July-December 1955. Also, validity of export licences issued for January-June 1955 extended upto the end of December 1955.
Raw Wool	April 5, 1955	In continuation of the previous quota announcement, a further quantity released for shipment upto end of September 1955, subject to a minimum of 10 bales per shipper.
	June 8, 1955	A further quantity of raw wool released for shipment upto end of September 1955 (extended upto the end of October)—established shippers granted quotas equal to 7½% subject to a minimum of 10 bales. Shippers effecting exports through Exporting Houses or Commission Agents on consignment basis would be granted supplementary allotments equal to 5% of the best year's export subject to a minimum individual allotment of 10 bales.
	October 25, 1955	A further quantity released for export during the period, October 1955 to March 31, 1956.
Oils and Oilseeds:		
Groundnut oil	August 13, 1955	A limited quota released and allotments made at the rate of 7½% for established exporters for shipment upto end of October 1955.
	October 24, 1955	Quota of 15% of basic year's exports allotted to established shippers.
H.P.S. Groundnuts	April 29, 1955	A quota of 10,000 tons of H.P.S. groundnuts released for export till the end of July 1955 (extended later upto August 1955). A quota of 5,000 tons was also earmarked for export by Co-operative Societies.
	October 24, 1955	Established shippers granted 62½% of basic year exports of groundnuts—Co-operative Societies of Growers of Groundnuts granted repeat quotas.
Kardi seed and Niger seed	June 21, 1955	20,000 tons of Kardi seed and Niger seed (combined) released for export upto end of December 1955.
	January 11, 1956	Exporters effecting shipments of over 50 tons of Niger seed oil would be allotted quotas of Niger seed at the rate of 50% of the quantity of Niger seed oil exported, valid for shipment upto end of June 1956.
Husked rice	April 25, 1955	Export to be freely licensed upto end of September 1955, against advance registration of sales.
	October 4, 1955	Decision to continue free licensing (within a ceiling) upto end of March 1956.*

* Exports banned on January 20, 1956, though subsequently it was decided to permit exports against pre-ban commitments for a short period.

STATEMENT 87

INDIA'S BALANCE OF TRADE IN MERCHANDISE @

(Sea, Air and Land)

(PRIVATE AND GOVERNMENT)

(Lakhs of Rupees)

IMPORTS*				Year and Month	EXPORTS†				Balance of trade
Sea and Air	Land	Trade in transit**	Total (1+2—3)		Sea and Air	Land	Trade in transit**	Total (5+6—7)	
1	2	3	4		5	6	7	8	9
581,17	42,79	60	623,36	1950-51	606,81	17,82	23,28	601,35	— 22,01
863,48	80,45	80	943,13	1951-52	715,69	27,14	9,84	732,99	— 210,14
644,91	25,16	19	669,88	1952-53	559,23	18,84	70	577,37	— 92,51
549,12	22,93	12	571,93	1953-54	523,20	7,46	4	530,62	— 41,31
633,05	23,39	18	656,26	1954-55	588,24	5,73	42	593,55	— 62,71
649,64	29,35	16	678,83	1955-56	591,23	6,20	12	597,31	— 81,52
46,98	1,22	2	48,18	April 1954.. ..	30,97	60	2	31,55	— 16,63
50,59	1,60	6	52,13	May ,, ...	38,26	41	3	38,64	— 13,49
50,06	1,57	—	51,63	June ,, ...	42,72	55	5	43,22	— 8,41
54,19	1,51	—	55,70	July ,, ...	46,90	46	3	47,33	— 8,37
49,16	1,22	—	50,38	August ,, ...	45,32	28	5	45,55	— 4,83
51,63	1,79	—	53,42	September ,, ...	50,15	37	4	50,48	— 2,94
55,10	2,31	—	57,41	October ,, ...	47,12	49	4	47,57	— 9,84
61,46	2,49	—	63,95	November ,, ...	65,05	51	3	65,53	+ 1,58
50,31	2,31	1	52,61	December ,, ...	60,25	65	5	60,85	+ 8,24
52,74	2,17	—	54,91	January 1955.. ..	54,23	36	2	54,57	— 34
54,84	2,70	2	57,52	February ,, ...	50,09	48	3	50,54	— 6,98
55,99	2,51	7	58,43	March ,, ...	57,17	56	3	57,70	— 73
49,83	1,53	1	51,35	April ,, ...	39,43	50	3	39,90	— 11,45
49,21	2,03	—	51,24	May ,, ...	43,96	48	2	44,42	— 6,82
49,40	1,94	2	51,32	June ,, ...	47,30	89	1	48,18	— 3,14
50,00	1,62	3	51,59	July ,, ...	50,64	43	1	51,06	— 53
44,78	1,64	—	46,42	August ,, ...	51,09	29	—	51,38	+ 4,96
48,19	3,02	1	51,20	September ,, ...	57,17	38	—	57,55	+ 6,35
49,73	2,18	1	51,90	October ,, ...	47,14	34	—	47,48	— 4,42
60,03	2,73	2	62,74	November ,, ...	48,73	60	—	49,33	— 13,41
56,29	3,17	1	59,45	December ,, ...	51,16	93	—	52,09	— 7,36
55,54	3,26	2	58,78	January 1956.. ..	45,89	58	—	46,47	— 12,31
64,92	3,42	2	68,32	February ,, ...	50,86	39	—	51,25	— 17,07
71,71	2,81	2	74,50	March ,, ...	57,87	40	4	58,23	— 16,27

Note.—(1) Land frontier trade relates to Pakistan, Afghanistan, Iran and Burma (2) Exports are on *f.o.b.* basis. @ Provisional. * Excludes the value of certain special imports of foodgrains and stores for which full particulars are not available. †Including re-exports. ** Relates only to figures included in the general import and re-export figures.

Source: Accounts relating to Foreign Trade and Navigation of India.

STATEMENT 88

INDIA'S BALANCE OF PAYMENTS

CURRENT ACCOUNT : REGION-WISE SUMMARY

(Crores of Rupees)

	1950-51	1951-52	1952-53	1953-54	1954-55 (Preliminary)	1955-56 (Preliminary)
All Areas						
Imports c.i.f.	650.3	962.9	633.0	591.8	681.6	747.7
Exports f.o.b.	646.8	730.1	601.9	539.7	596.6	642.2
Trade Balance	— 3.5	—232.8	— 31.1	— 52.1	— 85.0	—105.5
Official Donations (Net) ..	+ 2.1	+ 5.3	+ 10.8	+ 19.0	+ 15.8	+ 46.2*
Other Invisibles (Net) ..	+ 40.3	+ 64.9	+ 80.5	+ 80.5	+ 77.5	+ 80.0
Current Account (Net) ..	+ 38.9	—162.6	+ 60.2	+ 47.4	+ 8.3	+ 20.7*
Sterling Area (Excluding Pakistan)						
Imports c.i.f.	291.5	291.4	263.2	288.0	342.2	335.3
Exports f.o.b.	318.9	355.7	266.6	283.7	327.8	323.2
Trade Balance	+ 27.4	+ 64.3	+ 3.4	— 4.3	— 14.4	— 12.1
Official Donations (Net) ..	—	+ 2.8	+ 1.5	+ 0.4	+ 0.8	+ 0.1
Other Invisibles (Net) ..	+ 51.4	+ 66.4	+ 65.3	+ 70.2	+ 63.0	+ 59.3
Current Account (Net) ..	+ 78.8	+133.5	+ 70.2	+ 66.3	+ 49.4	+ 47.3
Pakistan						
Imports c.i.f.	38.7	85.3	18.6	14.3	14.5	20.9
Exports f.o.b.	32.5	41.8	39.6	7.5	11.9	8.9
Trade Balance	— 6.2	— 43.5	+ 21.0	— 6.8	— 2.6	— 12.0
Official Donations (Net) ..	—	—	—	—	—	—
Other Invisibles (Net) ..	+ 0.4††	+ 8.9	+ 7.7	+ 4.7	+ 7.4	+ 7.0
Current Account (Net) ..	— 5.8	— 34.6	+ 28.7	— 2.1	+ 4.8	— 5.0
Dollar Area						
Imports c.i.f.	..	329.6	185.6	108.4	116.1	123.5
Exports f.o.b.	..	173.5	143.8	115.6	113.3	120.5
Trade Balance	..	—156.1	— 41.8	+ 7.2	— 2.8	— 3.0
Official Donations (Net) ..	..	+ 2.5	+ 9.3	+ 18.6	+ 15.0	+ 46.0*
Other Invisibles (Net) ..	..	+ 2.6@	+ 5.6	+ 1.4	+ 2.9	+ 6.3
Current Account (Net) ..	..	—151.0	— 26.9	+ 27.2	+ 15.1	+ 49.3*
OEEC Countries†						
Imports c.i.f.	..	106.1	82.2	101.6	134.2	153.9
Exports f.o.b.	..	73.8	63.1	45.4	60.6	73.1
Trade Balance	..	— 32.3	— 19.1	— 56.2	— 73.6	— 80.8
Official Donations (Net) ..	..	—	—	—	—	—
Other Invisibles (Net) ..	..	— 2.5	— 1.2	— 1.3	— 1.2	— 2.9
Current Account (Net) ..	..	— 34.8	— 20.3	— 57.5	— 74.8	— 83.7
Rest of Non-Sterling Area						
Imports c.i.f.	320.1	150.5	83.4	79.5	74.6	114.0
Exports f.o.b.	295.4	85.3	88.8	87.5	83.0	116.4
Trade Balance	— 24.7	— 65.2	+ 5.4	+ 8.0	+ 8.4	+ 2.4
Official Donations (Net) ..	+ 2.1	—	—	—	—	—
Other Invisibles (Net) ..	— 11.5	— 10.5	+ 3.1	+ 5.5	+ 5.4	+ 10.4
Current Account (Net) ..	— 34.1	— 75.7	+ 8.5	+ 13.5	+ 13.8	+ 12.8

Note:—For the year 1950-51, owing to a change in the composition of currency-areas, it has not been possible to give a break-down of transactions into the Dollar Area and OEEC Countries and hence transactions with these areas have been merged in the Rest of the Non-Sterling Area.

@ Includes Non-monetary Gold Movement (Net) Rs.—1.0 crore.

† Includes transactions with their associated territories upto June 1955.

†† Invisible transactions for April-December 1950 could not be estimated due to paucity of data.

* Provisional.

STATEMENT 89

INDIA'S BALANCE OF PAYMENTS—1955-56

CURRENT ACCOUNT—REGION-WISE

STERLING AREA (Excluding Pakistan)

(Crores of Rupees)

Item	April-June 1955			July-September 1955			October-December 1955			January-March 1956			Year: 1955-56(Preliminary)		
	Receipts	Payments	*Net*	Receipts	Payments	*Net*	Receipts	Payments	*Net*	Receipts	Payments	*Net*	Receipts	Payments	*Net*
1. Merchandise															
(*a*) Private	76.4	75.7	+ *0.7*	78.9	69.3	+ *9.6*	83.0	64.8	+ *18.2*	83.7	71.8	+ *11.9*	322.0	281.6	+ *40.4*
(*b*) Government ..	0.2	15.9	— *15.7*	0.4	10.1	— *9.7*	0.4	13.1	— *12.7*	0.2	14.6	— *14.4*	1.2	53.7	— *52.5*
2. Non-monetary gold movement	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3. Foreign travel ..	1.2	1.7	— *0.5*	1.2	1.9	— *0.7*	1.1	1.3	— *0.2*	1.3	1.2	+ *0.1*	4.8	6.1	— *1.3*
4. Transportation ..	5.7	2.1	+ *3.6*	4.6	1.7	+ *2.9*	5.8	1.8	+ *4.0*	6.0	1.7	+ *4.3*	22.1	7.3	+ *14.8*
5. Insurance	1.8	0.8	+ *1.0*	1.6	1.1	+ *0.5*	1.6	1.2	+ *0.4*	1.8	1.1	+ *0.7*	6.8	4.2	+ *2.6*
6. Investment income ..	5.0	5.9	— *0.9*	7.4	7.7	— *0.3*	6.9	3.7	+ *3.2*	7.6	3.8	+ *3.8*	26.9	21.1	+ *5.8*
7. Government, not incuclded elsewhere ..	3.4	2.4	+ *1.0*	3.3	1.9	+ *1.4*	5.8	2.0	+ *3.8*	5.0	1.5	+ *3.5*	17.5	7.8	+ *9.7*
8. Miscellaneous ..	3.7	2.9	+ *0.8*	3.7	2.9	+ *0.8*	2.9	2.2	+ *0.7*	4.0	3.4	+ *0.6*	14.3	11.4	+ *2.9*
9. Donations :															
(*i*) Official	—	—	—	—	—	—	—	—	—	0.1	—	+ *0.1*	0.1	—	+ *0.1*
(*ii*) Private	10.7	5.2	+ *5.5*	10.4	4.2	+ *6.2*	10.4	5.0	+ *5.4*	12.0	4.4	+ *7.6*	43.5	18.8	+ *24.7*
10. **Total Current Transactions**	**108.1**	**112.6**	— *4.5*	**111.5**	**100.8**	+ *10.7*	**117.9**	**95.1**	+ *22.8*	**121.7**	**103.5**	+ *18.2*	**459.3**	**412.0**	+ *47.3*

PAKISTAN

(Crores of Rupees)

Item	April-June 1955			July-September 1955			October-December 1955			January-March 1956			Year : 1955-56 (Preliminary)		
	Receipts	Payments	*Net*	Receipts	Payments	*Net*	Receipts	Payments	*Net*	Receipts	Payments	*Net*	Receipts	Payments	*Net*
1. Merchandise															
(*a*) Private ..	2.6	4.5	*—1.9*	2.0	5.2	*—3.2*	1.9	5.1	*—3.2*	2.3	6.1	*—3.9*	8.8	20.9	*—12.1*
(*b*) Government ..	—	—	—	—	—	—	0.1	—	*+0.1*	—	—	—	0.1	—	*+ 0.1*
2. Non-monetary gold movement	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3. Foreign travel	0.7	—	*+0.7*	0.7	—	*+0.7*	0.7	—	*+0.7*	0.6	—	*+0.6*	2.7	—	*+ 2.7*
4. Transportation ..	0.2	—	*+0.2*	0.3	0.1	*+0.2*	0.3	0.2	*+0.1*	0.2	0.2	—	1.0	0.5	*+ 0.5*
5. Insurance	0.1	—	*+0.1*	0.1	—	*+0.1*	0.1	—	*+0.1*	0.1	—	*+0.1*	0.4	—	*+ 0.4*
6. Investment income ..	1.0	0.2	*+0.8*	0.1	0.1	—	0.6	0.1	*+0.5*	0.2	0.1	*+0.1*	1.9	0.5	*+ 1.4*
7. Government, not included elsewhere ..	0.2	—	*+0.2*	0.2	—	*+0.2*	0.1	—	*+0.1*	0.2	0.1	*+0.1*	0.7	0.1	*+ 0.6*
8. Miscellaneous	0.3	—	*+0.3*	0.1	—	*+0.1*	—	—	—	0.7	0.1	*+0.6*	1.1	0·1	*+ 1.0*
9. Donations :															
(i) Official	..	—	—	—	—	—	—	—	—	—	—	—	—	—	—
(ii) Private	0.2	—	*+0.2*	0.1	—	*+0.1*	0.1	—	*+0.1*	0.1	—	*+0.1*	0.5	—	*+ 0.5*
10. Total Current Transactions	5.3	4.7	*+0.6*	3.6	5.4	*—1.8*	3.9	5.4	*—1.5*	4.4	6.6	*—2.2*	17.1	22.1	*— 5.0*

STATEMENT 89 (*contd.*)

DOLLAR AREA*

(Crores of Rupees)

Item	April-June 1955			July-September 1955			October-December 1955			January-March 1956			Year : 1955-56 (Preliminary)		
	Receipts	Payments	*Net*	Receipts	Payments	*Net*	Receipts	Payments	*Net*	Receipts	Payments	*Net*	Receipts	Payments	*Net*
1. Merchandise															
(a) Private ..	29.6	17.4	+*12.2*	24.6	15.9	+*8.7*	32.5	17.1	+*15.4*	33.5	17.2	+*16.3*	120.2	67.6	+*52.6*
(b) Government ..	—	10.3	—*10.3*	0.1	15.3	—*15.2*	0.1	14.3	—*14.2*	0.1	16.0	—*15.9*	0.3	55.9	—*55.6*
2. Non-monetary gold movement	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3. Foreign travel ..	0.4	0.4	—	0.4	0.3	+*0.1*	0.5	0.2	+*0.3*	0.6	0.2	+*0.4*	1.9	1.1	+*0.8*
4. Transportation ..	1.0	0.5	+*0.5*	0.8	0.4	+*0.4*	1.0	0.5	+*0.5*	1.1	0.4	+*0.7*	3.9	1.8	+*2.1*
5. Insurance	0.1	—	+*0.1*	0.1	0.1	—	0.1	—	+*0.1*	0.1	—	+*0.1*	0.4	0.1	+*0.3*
6. Investment income ..	0.1	3.0	—*2.9*	0.1	1.2	—*1.1*	0.1	1.8	—*1.7*	0.3	0.7	—*0.4*	0.6	6.7	—*6.1*
7. Government, not included elsewhere ..	1.0	0.8	+*0.2*	1.2	0.4	+*0.8*	0.7	0.8	—*0.1*	0.1	0.8	—*0.7*	3.0	2.8	+*0.2*
8. Miscellaneous	1.4	0.8	+*0.6*	1.0	1.3	—*0.3*	0.9	1.1	—*0.2*	1.1	1.4	—*0.3*	4.4	4.6	—*0.2*
9. Donations :															
(i) Official	8.4	—	+*8.4*	12.2	—	+*12.2*	11.3	—	+*11.3*	14.1	—	+*14.1*	46.0	—	+*46.0*†
(ii) Private	2.0	0.1	+*1.9*	2.3	0.1	+*2.2*	2.8	0.2	+*2.6*	2.6	0.1	+*2.5*	9.7	0.5	+*9.2*
10. **Total Current Transactions**	**44.0**	**33.3**	+*10.7*	**42.8**	**35.0**	+*7.8*	**50.0**	**36.0**	+*14.0*	**53.6**	**36.8**	+*16.8*	**190.4**	**141.1**	+*49.3*†

*Comprises the United States, other American Account Countries and Canada.
†Provisional.

OEEC COUNTRIES

(Crores of Rupees)

Item	April-June 1955			July-September 1955			October-December 1955			January-March 1956			Year : 1955-56 (Preliminary)		
	Receipts	Payments	*Net*	Receipts	Payments	*Net*	Receipts	Payments	*Net*	Receipts	Payments	*Net*	Receipts	Payments	*Net*
1. Merchandise															
(a) Private	20.8	29.3	*— 8.5*	16.0	31.3	*—15.3*	16.3	32.5	*—16.2*	19.6	36.9	*—17.3*	72.7	130.0	*—57.3*
(b) Government ..	0.3	3.9	*— 3.6*	—	6.5	*— 6.5*	—	7.7	*— 7.7*	0.1	5.8	*— 5.7*	0.4	23.9	*—23.5*
2. Non-monetary gold movement	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3. Foreign travel ..	0.1	1.6	*— 1.5*	0.1	1.1	*— 1.0*	0.1	0.6	*— 0.5*	0.1	0.8	*— 0.7*	0.4	4.1	*— 3.7*
4. Transportation ..	1.3	1.1	*+ 0.2*	1.0	1.1	*— 0.1*	1.1	0.6	*+ 0.5*	1.3	1.0	*+ 0.3*	4.7	3.8	*+ 0.9*
5. Insurance	0.2	0.1	*+ 0.1*	0.1	0.1	—	0.1	0.1	—	0.1	0.2	*— 0.1*	0.5	0.5	—
6. Investment income ..	—	0.2	*— 0.2*	—	0.1	*— 0.1*	—	0.1	*— 0.1*	—	0.1	*— 0.1*	—	0.5	*— 0.5*
7. Government, not included elsewhere ..	0.4	0.3	*+ 0.1*	0.4	0.6	*— 0.2*	0.3	0.3	—	0.4	0.4	—	1.5	1.6	*— 0.1*
8. Miscellaneous	0.9	0.5	*+ 0.4*	0.8	0.9	*— 0.1*	0.9	1.0	*— 0.1*	1.1	0.7	*+ 0.4*	3.7	3.1	*+ 0.6*
9. Donations :															
(i) Official	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
(ii) Private	0.2	[illegible].3	*— 0.1*	0.2	0.2	—	0.2	0.2	—	0.2	0.2	—	0.8	0.9	*— 0.1*
10. Total Current Transactions	24.2	37.3	*—13.1*	18.6	41.9	*—23.3*	19.0	43.1	*—24.1*	22.9	46.1	*—23.2*	84.7	168.4	*—83.7*

STATEMENT 89 (*Contd.*)

REST OF NON-STERLING AREA

(Crores of Rupees)

Item	April-June 1955			July-September 1955			October-December 1955			January-March 1956			Year : 1955-56 (Preliminary)		
	Receipts	Payments	*Net*	Receipts	Payments	*Net*	Receipts	Payments	*Net*	Receipts	Payments	*Net*	Receipts	Payments	*Net*
1. Merchandise															
(*a*) Private	24.0	19.7	+ *4.3*	27.7	22.6	+ *5.1*	31.2	27.7	+ *3.5*	33.5	38.5	— *5.0*	116.4	108.5	+ 7.9
(*b*) Government ..	—	—	—	—	0.7	— *0.7*	—	2.2	— *2.2*	—	2.6	— *2.6*	—	5.5	— *5.5*
2. Non-monetary gold movement	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3. Foreign travel ..	0.1	0.3	— *0.2*	—	0.2	— *0.2*	0.1	0.1	—	—	0.2	— *0.2*	0.2	0.8	— *0.6*
4. Transportation ..	1.4	0.4	+ *1.0*	1.5	0.5	+ *1.0*	1.7	0.4	+ *1.3*	1.8	0.2	+ *1.6*	6.4	1.5	+ *4.9*
5. Insurance	0.2	—	+ *0.2*	0.3	0.1	+ *0.2*	0.3	0.1	+ *0.2*	0.4	—	+ *0.4*	1.2	0.2	+ *1.0*
6. Investment income ..	0.1	—	+ *0.1*	0.1	0.1	—	—	0.1	— *0.1*	0.2	0.1	+ *0.1*	0.4	0.3	+ *0.1*
7. Government, not included elsewhere ..	0.7	0.3	+ *0.4*	0.3	0.4	— *0.1*	1.9	0.2	+ *1.7*	1.0	0.4	+ *0.6*	3.9	1.3	+ *2.6*
8. Miscellaneous	0.5	0.2	+ *0.3*	0.9	0.3	+ *0.6*	1.0	0.2	+ *0.8*	0.4	0.5	— *0.1*	2.8	1.2	+ *1.6*
9. Donations :															
(i) Official	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
(ii) Private	0.3	0.1	+ *0.2*	0.3	0.1	+ *0.2*	0.3	0.1	+ *0.2*	0.3	0.1	+ *0.2*	1.2	0.4	+ *0.8*
0. Total Current Transactions	27.3	21.0	+ *6.3*	31.1	25.0	+ *6.1*	36.5	31.1	+ *5.4*	37.6	42.6	— *5.0*	132.5	119.7	+ *12.8*

STATEMENT 90

INDIA'S FOREIGN EXCHANGE RESERVES

(Lakhs of Rupees)

End of		Assets*	Liabilities†	Net Assets	Movement of Net Assets
1950-51	.. ..	963,86	129,00	834,86	+ 18,47
1951-52	.. ..	795,34	140,75	654,59	—180,27
1952-53	.. ..	813,79	102,79	711,00	+ 56,41
1953-54	.. ..	844,78	87,07	757,71	+ 46,71
1954-55	.. ..	827,64	75,81	751,83	— 5,88
1955-56	.. ..	842,60	80,86	761,74	+ 9,91
April	1954	847,17	89,60	757,57	— 14
May	,, ...	845,25	96,06	749,19	— 8,38
June	,, ...	841,07	98,86	742,21	— 6,98
July	,, ...	822,49	89,72	732,77	— 9,44
August	,, ...	818,78	84,76	734,02	+ 1,25
September	,, ...	819,49	89,84	729,65	— 4,37
October	,, ...	817,99	85,92	732,07	+ 2,42
November	,, ...	816,44	80,37	736,07	+ 4,00
December	,, ...	827,33	85,07	742,26	+ 6,19
January	1955	833,87	85,58	748,29	+ 6,03
February	,, ...	833,46	83,07	750,39	+ 2,10
March	,, ...	827,64	75,81	751,83	+ 1,44
April	,, ...	814,65	70,81	743,84	— 7,99
May	,, ...	814,22	67,25	746,97	+ 3,13
June	,, ...	816,73	66,33	750,40	+ 3,43
July	,, ...	815,03	54,47	760,56	+ 10,16
August	,, ...	816,40	54,75	761,65	+ [illegible]
September	,, ...	819,02	53,21	765,81	+ 4,[illegible]
October	,, ...	815,00	51,45	763,55	— 2,26
November	,, ...	819,32	51,68	767,64	+ 4,09
December	,, ...	827,27	54,55	772,72	+ 5,08
January	1956	827,68	63,08	764,60	— 8,12
February	,, ...	830,88	64,12	766,76	+ 2,16
March	,, ...	842,60	80,86	761,74	— 5,02

* Include (*a*) 7.1 million ounces of gold held by the Reserve Bank, which is valued at the statutory price of Rs. 21-3-10 per tola; (the international price of gold works out to Rs. 166.7 per ounce), (*b*) Foreign assets of the Reserve Bank and authorised dealers and (*c*) Government balances held abroad. † Include liabilities of the Reserve Bank and authorised dealers to non-resident official institutions and banks.

STATE

STERLING TRANSACTIONS OF THE

FORWARD CONTRACTS

		Purchases†		Sales*		Net Purchases(+) / Sales(—)	
		£ thousands	Rs. lakhs	£ thousands	Rs. lakhs	£ thousands	Rs. lakhs
1	1950-51	344,098	458,80	21,526	28,73	+322,572	+ 430,07
2	1951-52	189,862	253,15	71,875	95,92	+117,987	+ 157,23
3	1952-53	118,355	157,81	8,250	11,01	+110,105	+ 146,80
4	1953-54	103,170	137,56	3,575	4,77	+ 99,595	+ 132,79
5	1954-55	103,295	137,73	1,300	1,74	+ 101,995	+ 135,99
6	1955-56	98,150	130,87	4,985	6,64	+ 93,165	+ 124,23
7	April 1954 ..	6,790	9,05	500	67	+ 6,290	+ 8,39
8	May „ ..	3,475	4,63	650	87	+ 2,825	+ 3,77
9	June „ ..	4,075	5,43	—	—	+ 4,075	+ 5,43
10	July „ ..	5,555	7,41	100	13	+ 5,455	+ 7,27
11	August „ ..	7,900	10,53	—	—	+ 7,900	+ 10,53
12	September „ ..	5,525	7,37	—	—	+ 5,525	+ 7,37
13	October „ ..	8,470	11,29	—	—	+ 8,470	+ 11,29
14	November „ ..	8,140	10,85	50	7	+ 8,090	+ 10,79
15	December „ ..	14,620	19,49	—	—	+ 14,620	+ 19,49
16	January 1955 ..	12,965	17,29	—	—	+ 12,965	+ 17,29
17	February „ ..	17,115	22,82	—	—	+ 17,115	+ 22,82
18	March „ ..	8,665	11,55	—	—	+ 8,665	+ 11,55
19	April „ ..	8,565	11,42	—	—	+ 8,565	+ 11,42
20	May „ ..	8,465	11,29	—	—	+ 8,465	+ 11,29
21	June „ ..	7,820	10,43	100	13	+ 7,720	+ 10,29
22	July „ ..	15,145	20,19	—	—	+ 15,145	+ 20,19
23	August „ ..	8,945	11,93	300	40	+ 8,645	+ 11,53
24	September „ ..	13,565	18,09	—	—	+ 13,565	+ 18,09
25	October „ ..	5,475	7,30	1,450	193	+ 4,025	+ 5,37
26	November „ ..	3,300	4,40	475	63	+ 2,825	+ 3,77
27	December „ ..	5,830	7,77	525	70	+ 5,305	+ 7,07
28	January 1956 ..	6,450	8,60	650	87	+ 5,800	+ 7,73
29	February „ ..	6,985	9,31	925	1,23	+ 6,060	+ 8,08
30	March „ ..	7,605	10,14	560	75	+ 7,045	+ 9,39

Note.—Rate for both forward and spot purchases is 1 sh. 6d.; rates for forward and spot sales are 1 sh. 5-31/32 d. an 1 sh. 5-63/64d. respectively. Totals may not add up owing to r

† Including cancellations of forward sale contracts.

* Including cancellations of forward purchase contracts.

MENT 91

RESERVE BANK OF INDIA (EXCLUDING GOVERNMENT TRANSACTIONS)

DELIVERIES								Total Deliveries		
Spot Transactions				Against Forward Contracts				Net Purchases (+) Sales (—)		
Purchases		Sales		Purchases		Sales				
£ thousands	Rs. lakhs	£ thousands	Rs. lakhs	£ thousands	Rs. lakhs	£ thousands	Rs. lakhs	£ thousands	Rs. lakhs	
1,075	1,43	88,092	117,56	216,974	289,30	730	97	+129,227	+ 172,17	1
690	92	216,827	289,36	262,697	350,26	7,559	10,09	+ 39,001	+ 51,73	2
1,540	2,05	63,718	85,03	139,760	186,35	3,600	4,80	+ 73,982	+ 98,57	3
4,083	5,44	16,460	21,97	105,670	140,89	1,000	1,33	+ 92,293	+ 123,05	4
7,064	9,42	26,697	35,63	93,095	124,13	2,100	2,80	+ 71,362	+ 95,12	5
10,015	13,36	68,404	91,29	97,230	129,65	—	—	+ 38,841	+ 51,72	6
—	—	2,660	3,55	3,945	5,26	500	67	+ 7,85	+ 1,04	7
700	93	2,645	3,53	4,695	6,26	50	7	+ 2,700	+ 3,59	8
50	7	6,400	8,54	4,420	5,89	—	—	— 1,930	— 2,58	9
100	13	5,365	7,16	3,075	4,10	1,300	1,73	— 3,490	— 4,66	10
—	—	2,945	3,93	4,630	6,17	250	33	+ 1,435	+ 1,91	11
1,045	1,39	1,812	2,42	8,130	10,84	—	—	+ 7,363	+ 9,81	12
170	23	1,780	2,38	4,310	5,75	—	—	+ 2,700	+ 3,60	13
—	—	1,735	2,32	5,745	7,66	—	—	+ 4,010	+ 5,34	14
1,809	2,41	465	62	16,015	21,35	—	—	+ 17,359	+ 23,14	15
245	33	155	21	10,220	13,63	—	—	+ 10,310	+ 13,75	16
845	1,13	355	47	16,770	22,36	—	—	+ 17,260	+ 23,02	17
2,100	2,80	380	51	11,140	14,85	—	—	+ 12,860	+ 17,14	18
680	91	5,322	7,10	3,610	4,81	—	—	— 1,032	— 1,38	19
410	55	750	1,00	4,985	6,65	—	—	+ 4,645	+ 6,20	20
—	—	2,375	3,17	3,710	4,95	—	—	+ 1,335	+ 1,78	21
370	49	1,075	1,43	6,020	8,03	—	—	+ 5,315	+ 7,09	22
25	3	6,050	8,07	9,055	12,07	—	—	+ 3,030	+ 4,03	23
100	13	1,555	2,08	10,050	13,40	—	—	+ 8,595	+ 11,45	24
50	7	11,330	15,12	7,395	9,86	—	—	— 3,885	— 5,19	25
30	4	10,840	14,47	10,010	13,35	—	—	— 800	— 1,08	26
1,215	1,62	10,265	13,70	13,430	17,91	—	—	+ 4,380	+ 5,83	27
900	1,20	5,437	7,26	8,625	11,50	—	—	+ 4,088	+ 5,44	28
905	1,21	9,425	12,58	8,550	11,40	—	—	+ 30	+ 3	29
5,330	7,11	3,980	5,31	11,790	15,72	—	—	+ 13,140	+ 17,52	30

STATEMENT 92

INDIA'S TRADE AGREEMENTS, 1955-56

Countries	Date of Agreement	Duration	Important Imports into India	Important Exports from India
1. Italy	May 5, 1955	Validity of the Schedules appended to the July 1954 Agreement extended for one year from January 1, 1955.		
	December 14, 1955	Validity of the Schedules extended by one more year from January 1, 1956.		
2. Rumania	May 19, 1955	Validity of the Schedules attached to the Agreement of March 1954 extended by one year upto the end of December 1955.		
	March 28, 1956	Validity of the Schedules extended by one more year upto the end of December 1956.		
3. Sweden	May 31, 1955	Two years from January 1, 1955 and will continue thereafter till either party modifies or terminates.	Condensed milk, milk powder, calcium carbide and certain other chemicals, pharmaceuticals, newsprint, diesel engines and parts, machine tools, agricultural machinery etc.	Cotton textiles, jute goods, coir and coir products, raw wool and woollen manufactures, vegetable oils, spices, tea, tobacco, shellac etc.
4. Czechoslovakia	June 3, 1955	Agreement of November 1953 modified and extended for nine months from March 1955.	Equipments for thermal and hydro-power stations and mining, ore dressing, iron and steel industries, rolling stock, wagons and trucks added to the existing list.	Cotton, rayon and woollen textiles, cotton and rayon knitted goods, plastic goods, sports goods, carpets and coir products added to the existing list.
	January 20, 1956	Earlier Agreement extended by one more year upto December 31, 1956.		
5. Norway	June 24, 1955	Valid for one year from January 1, 1955	Mechanical and chemical pulp, newsprint, diesel engines, machine tools, fishing vessels made of timber, ferro-chrome etc.	Tobacco, jute goods, tea, shellac, coir products, mica, iron and manganese ores, light engineering goods, plastic manufactures etc.
6. Austria	July 2, 1955	Validity of the July 1952 Agreement extended for six months upto December 31, 1955.		

		December 29, 1955	Validity of the Agreement extended further by six months upto June 30, 1956.		
7.	Indonesia	August 16, 1955	Agreement of January 1953 extended for six months upto December 31, 1955.		
		February 25, 1956	Validity of the Agreement extended further by six months upto the end of June 1956.		
8.	Pakistan	July 19, 1955	Valid for one year from September 1, 1955.	Raw jute, hides and skins, betel leaves, raw cotton, rock salt etc.	Coal, mica, biri and hucca tobacco etc.
9.	U. S. S. R.	December 16, 1955	Validity of the Schedules attached to the Indo-Soviet Trade Agreement of December 1953 extended for one year till December 1956.		
10.	Poland	December 31, 1955	Agreement of June 1953 extended for three more months upto March 31, 1956.		
11.	Iraq	January 4, 1956	Agreement of May 1953 extended for one year from January 1, 1956.		
12.	Hungary	January 6, 1956	Validity of Schedules attached to the Agreement of June 1954 extended for one year upto December 31, 1956.		
13.	Finland	March 16, 1956	Agreement of January 1951 extended for a further period of one year from January 1, 1956.		
14.	Yugoslavia	March 31, 1956	Valid from April 1, 1956 to December 31, 1959.	Dyeing and tanning substances, iron and steel products, rolling stock, wagons, rails, metal products, steam boilers, diesel and steam locomotives, tractors, electrical apparatus etc.	Iron ore, manganese ore, mica, shellac, tea, coffee, tobacco, spices, cotton textiles, raw cotton, raw wool, jute goods, handicrafts and cottage industry products etc.

STATEMENT 93

TARIFF COMMISSION, 1955-56

Industry	Purpose	Main observations of the Commission	Government's action on the recommendations
1	2	3	4
A. Tariff Inquiries			
Engineers' Steel Files	Fresh case for protection	Recommended grant of protection upto December 31, 1959 and imposition of specific rates of duties ranging from Rs. 7 to 34 per dozen according to the size of steel files and rasps (including saw files but excluding jewellers' and watchmakers' files, other needle files, mill tooth, rotary power and ampoule files). The duty rates should, however, be reviewed at the end of two years.	Accepted.
Diesel Fuel Injection Equipment	"	Protection to be granted till December 31. 1956, by levying a duty of 60 per cent *ad valorem* ; the varieties subject to preferential rates to be charged duties in accordance with the terms of Indo-U.K. Trade Agreement.	Accepted.
Piston Assembly (Pistons, Piston Rings and Gudgeon Pins)	"	Protection to be granted till December 31, 1957, by levying a standard duty of 50 per cent *ad valorem* and preferential rate of duty to be fixed in accordance with the terms of Indo-U.K. Trade Agreement.	Accepted.
Hydroquinone	Continuance of protection	Recommended continuance of protection at the same rates of duty till December 31, 1959.	Accepted.
Soda Ash	"	Suggested continuance of protection at the standard rate of 30 per cent *ad valorem* (preferential rate to be fixed in accordance with the terms of the Indo-U.K. Trade Agreement) till December 31, 1958 ; the tariff value could be adjusted, if found necessary, without however, altering the quantum of tariff protection. Relief to be given to the industry through grant of rebate on the cess for salt used in the manufacture of soda ash.	Accepted continuance of protection and the suggestion to maintain the quantum of tariff protection at the same level. For this it was considered desirable to levy specific duties at the rates of Rs. 5-10-0 per cwt (standard) and Rs. 4-3-0 per cwt. (preferential). Exemption of salt cess was, however, found unnecessary and hence the commission's recommendation in this respect was not accepted.
Titanium Dioxide	"	Continuance of protection at the existing rates of 35-1/5 per cent *ad valorem* plus one fourth of the total duty (non-British manufacture) and 25-1/5 per cent *ad valorem* plus one fourth of the total duty (British manufactures) till December 31, 1957 suggested.	Continuance of protection accepted, but rates of duties revised as 44 per cent *ad valorem* (standard) and 34 per cent *ad valorem* (preferential) without surcharge.

Grinding Wheels	Continuance of protection	Recommended continuance of protection till December 31, 1957 on varieties subject to protection (excluding certain types) and reduction of duty from 50% *ad valorem* exclusive of surcharge to 25% *ad valorem* including surcharge, continuance of concession of duty-free imports of synthetic abrasive stains and levy of a revenue duty of 25% *ad valorem* including surcharge on excluded varieties.	Accepted
Artificial Silk and Cotton & Artificial Silk Mixed Fabrics	"	Continuance of protection at the existing rates of duties till December 31, 1958 recommended.	Accepted
Machine Screws	"	Recommended continuance of protection till December 31, 1957, at the rate of duty of 50 per cent *ad valorem* or 9 annas per gross, whichever was higher.	Accepted
Electric Motor	"	Recommended continuance of protection till December 31, 1958, at the rate of 15 per cent *ad valorem* on certain specifications and duty of 20 per cent *ad valorem* on the component parts of electric motors (excluding control gear).	Accepted
Automobile Sparking Plug	"	Recommended continuance of protection at the existing rates of duties upto December 31, 1956, and grant of exemption from duty for one year to insulators (not fitted with central electrodes) imported for use in the manufacture of sparking plugs; also suggested that the industry be assured of protection upto December 31, 1960 in order to encourage implementation of the manufacturing programmes.	Accepted
Aluminium	"	Recommended continuance of protection at the existing rates of duties till December 31, 1958 and suggested that feasibility of imposing a duty on import of aluminium scrap should be examined.	Accepted
Calcium Chloride	"	Termination of protection after December 1955 suggested since the fair ex-works price of the indigenous commodity was found to be lower than the landed cost, ex-duty of imported one, and, since during the eight year period of protection, the industry had proved its capacity to meet the full requirements of the country.	Accepted
Alloy, Tool and Special Steels		Suggested withdrawal of protection after December 31, 1955.	Accepted
Motor Vehicle Battery	"	Suggested withdrawal of protection after December 31, 1955.	Accepted
Sodium Thiosulphate Sodium Sulphite & Sodium Bisulphite	"	Suggested withdrawal of protection after December 31, 1955.	Accepted

STATEMENT 93—(*Contd.*)

Industry	Purpose	Main observations of the Commission	Government's action on the recommendations
1	2	3	4
Starch	Continuance of protection	Suggested termination of protection after December 31, 1955; the industry could, however, apply for a review if due to relative decline in prices of maize in foreign countries or any other factor the industry was unable to meet foreign competition.	Accepted
Glucose	"	Suggested discontinuance of protection after December 31, 1955; the industry may, however, apply for a review of its case after modernising its equipment and processes and effecting the necessary improvement in the quality of its product.	Accepted. Decided to reduce the duty to 30 per cent *ad valorem* plus surcharge.
Steel Baling Hoops	"	Protection granted to jute and cotton baling hoops could be discontinued after December 31, 1955; coir baling hoops should be assessed at the same rate of duty as cotton and jute baling hoops, cotton baling hoops to be decontrolled and the present technique of fixing selling prices and retention prices of jute baling hoops to continue with proper periodic revision as long as control over iron and steel was in force.	Accepted. Duties on cotton and jute baling hoops reduced to 24 per cent *ad valorem* (standard) and 12 per cent *ad valorem* (preferential) plus surcharge. Decontrol of cotton baling hoops not accepted.
Coated Abrasives	"	Suggested withdrawal of protection after December 31, 1955; if, however, the industry was unable to meet foreign competition it may apply for a fresh examination. Imports of emery, synthetic abrasive grains and kraft paper required for the manufacture of coated abrasives should continue to be allowed free of duty.	Accepted. But the proposal regarding continuance of duty-free import of emery, synthetic abrasive grains and kraft paper still under consideration and pending final decision, the existing concession would continue.
B. Price Inquiries			
Rubber tyres and tubes	Referred to the Commission for an enquiry into the prices charged, and fair prices	If the excise duty continues to be charged on the existing basis, namely, the list price less discount of 10 per cent, a uniform reduction of 11 per cent should be made in the current net dealer prices and list prices. If that basis is changed so as to take into account the year-end discount of 2½ per cent, in addition to 10 per cent, the prices should be reduced by 11.56 per cent. The fair prices so arrived at, should remain in force till December 31, 1957, subject to a formula suggested by the Commission for adjustment on account of variations in the cost of raw rubber, fabric and carbon black.	Accepted. Decided that the tyre companies should issue a revised price list with effect from October 10, 1955, on the basis of the formula suggested by the commission.
Retention prices of Steel produced by the Tata Iron & Steel Co. Ltd. and the Indian Iron & Steel Co. Ltd.	Referred to the Commission for fixing a uniform retention price	The average retention price of steel produced by Tatas and IISCO should be fixed at the uniform rate of Rs. 393/- per ton and the revised price should remain in force for a period of five years from 1955-56 to 1959-60.	Accepted

STATEMENT 94

INDIA CURRENCY IN CIRCULATION (*a*)

(Lakhs of Rupees)

	Circulation(*b*)			Increase (+) or Decrease (- -) in Circulation (*c*)			
	Notes (*d*)	Rupee Coin (*e*)	Total* (1+2)	Notes	Rupee Coin	Small Coin	Total (4+5+6)
	1	2	3	4	5	6	7
1950-51	1,204,24	138,45	**1,342,69**	+ 83,89	+ 5,84	—3,20	+ **86,53**
1951-52	1,097,94	125,45	**1,223,39**	—100,21(*f*)	—13,00	—3,05	—**116,26**
1952-53	1,089,95	119,71	**1,209,66**	— 7,99	— 5,74	—4,09	— **17,82**
1953-54	1,142,75	117,92	**1,260,67**	+ 52,81	— 1,79	—3,17	+ **47,85**
1954-55	1,233,92	112,98	**1,346,90**	+ 91,17	— 4,94	—1,14	+ **85,09**
1955-56	1,423,47	122,13	**1,545,60**	+189,55	+ 9,15	+ 1,47	+**200,17**
April 1954 ..	1,174,02	112,77	**1,286,79**	+ 31,27	— 5,15	+ 22	+ **26,34**
May „ ..	1,159,75	113,47	**1,273,22**	— 14,27	+ 70	+ 29	— **13,28**
June „ ..	1,131,32	112,57	**1,243,89**	— 28,43	— 90	— 9	— **29,42**
July „ ..	1,099,57	108,71	**1,208,28**	— 31,75	— 3,86	— 49	— **36,10**
August „ ..	1,094,18	106,86	**1,201,04**	— 5,39	— 1,85	— 46	— **7,70**
September „ ..	1,103,97	106,93	**1,210,90**	+ 9,79	+ 7	— 40	+ **9,46**
October „ ..	1,118,77	107,13	**1,225,90**	+ 14,80	+ 20	— 13	+ **14,87**
November „ ..	1,118,72	106,52	**1,225,24**	— 5	— 61	— 19	— **85**
December „ ..	1,157,32	109,33	**1,266,65**	+ 38,60	+ 2,81	— 10	+ **41,31**
January 1955 ..	1,174,55	110,22	**1,284,77**	+ 17,23	+ 89	— 8	+ **18,04**
February „ ..	1,198,82	112,23	**1,311,05**	+ 24,27	+ 2,01	+ 12	+ **26,40**
March „ ..	1,233,92	112,98	**1,346,90**	+ 35,10	+ 75	+ 17	+ **36,02**
April „ ..	1,267,60	115,62	**1,383,22**	+ 33,68	+ 2,64	+ 50	+ **36,82**
May „ ..	1,272,92	117,27	**1,390,19**	+ 5,32	+ 1,65	+ 52	+ **7,49**
June „ ..	1,267,62	117,64	**1,385,26**	— 5,30	+ 37	—	— **4,93**
July „ ..	1,248,30	115,25	**1,363,55**	— 19,32	— 2,39	— 16	— **21,87**
August „ ..	1,241,92	113,08	**1,355,00**	— 6,38	— 2,17	— 6	— **8,61**
September „ ..	1,237,05	112,13	**1,349,18**	— 4,87	— 95	— 21	— **6,03**
October „ ..	1,262,69	112,88	**1,375,57**	+ 25,64	+ 75	— 2	+ **26,37**
November „ ..	1,280,59	113,87	**1,394,46**	+ 17,90	+ 99	+ 16	+ **19,05**
December „ ..	1,318,81	116,03	**1,434,84**	+ 38,22	+ 2,16	— [illegible]	+ **40,26**
January 1956 ..	1,335,90	117,31	**1,453,21**	+ 17,09	+ 1,28	+ [illegible]	+ **18,54**
February „ ..	1,359,68	118,87	**1,478,55**	+ 23,78	+ 1,56	+ 40	+ **25,74**
March „ ..	1,423,47	122,13	**1,545,60**	+ 63,79	+ 3,26	+ 30	+ **67,35**

Note:—Figures relate to India currency (for data relating to India and *Hali Sicca* currency see Statement 25).

(*a*) Includes India currency in circulation outside India. (*b*) At the end of period. (*c*) The figures are not adjusted to take account of net inward or outward movements of currency. (*d*) Figures are net of the return of about Rs. 43 crores from Pakistan awaiting adjustment. (*e*) Estimated (for details see footnote to Statement 86 of the Report for 1953-54). (*f*) Figures are net of adjustments made in respect of India notes retired from circulation in Aden.

*Figures are (i) inclusive of notes and coin held by banks and at Treasuries and (ii) exclusive of *Hali Sicca* currency and therefore differ from those given in column 5 of Statement 25, which are exclusive of the former and inclusive of the latter.

STATEMENT 95

CIRCULATION OF INDIA NOTES BY DENOMINATIONS

(Rupees In Lakhs)

End of December	Rs. 2	*Percentage of (1) to (15)*	Rs. 5	*Percentage of (3) to (15)*	Rs.10	*Percentage of (5) to (15)*	Rs. 100	*Percentage of (7) to (15)*	Rs. 1,000*	*Percentage of (9) to (15)*	Rs. 5,000*	*Percentage of (11) to (15)*	Rs. 10,000*	*Percentage of (13) to (15)*	**Total (1+3+5+7+9+11+13)**
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
1950	25,15	*2.2*	166,03	*14.1*	483,87	*41.1*	500,98	*42.6*							**1,176,03**
1951	25,43	*2.2*	157,41	*13.6*	477,42	*41.1*	500,90	*43.1*							**1,161,16**
1952	23,43	*2.1*	141,20	*12.7*	461,64	*41.4*	487,49	*43.8*							**1,113,76**
1953	24,85	*2.2*	144,72	*12.6*	484,41	*42.2*	494,21	*43.0*							**1,148,19**
1954	26,52	*2.2*	150,57	*12.3*	511,50	*41.6*	502,02	*40.9*	32,06	*2.6*	5,04	*0.4*	1,01	*0.1*	**1,228,72**
1955	28,66	*2.1*	159,36	*11.6*	562,89	*41.0*	550,05	*40.1*	56,37	*4.1*	9,85	*0.7*	5,81	*0.4*	**1,372,99**

Note.— Figures are inclusive of Rs. 43 crores of India notes retired from circulation in Pakistan and awaiting adjustment ; those from 1951 are net of India notes returned from circulation in Aden. Data given in this Statement relate to total notes issued (i. e. notes in circulation plus notes held in the Banking Department of the Reserve Bank).

* Relate to the new high denomination notes issued from April 1954.

STATEMENT 96

MOVEMENTS IN CIRCULATION OF INDIA SMALL COIN (DENOMINATION-WISE)

ABSORPTION (+) OR RETURN (—)

(Thousands of Rupees)

	Half rupees†	Four anna pieces‡	Two anna pieces§	One anna pieces	Half anna pieces*	Single pice**	Half pice	Pie pieces	**Total**
1950-51	—1,00,54	— 97,53	— 60,09	— 65,54	— 3,78	+ 7,73	— 7	+ 3	**—3,19,79**
1951-52	—1,06,57	— 84,04	— 61,78	— 62,55	— 1,73	+ 11,28	+ 6	+ 1	**—3,05,32**
1952-53	—1,52,06	—1,02,46	— 75,89	— 75,47	— 9,54	+ 6,04	— 2	—	**—4,09,40**
1953-54	—1,16,18	— 80,12	— 56,04	— 60,18	— 4,88	+ 95	— 10	— 7	**—3,16,62**
1954-55	— 56,39	— 30,60	— 15,16	— 15,75	— 1,22	+ 5,27	— 13	— 4	**—1,14,02**
1955-56	+ 35,13	+ 59,81	+ 11,61	+ 23,74	+ 6,58	+ 9,69	— 1	— 1	**+1,46,54**

† Since the inauguration of the Reserve Bank in 1935, silver half rupees have been included in statistics relating to small coin ; including pure nickel half rupees introduced in May 1946. ‡ Including pure nickel four anna pieces introduced in May 1946. § Including nickel two anna pieces introduced in 1917-18. * Nickel half anna pieces introduced in January 1942. ** Including single pice pieces with a circular hole issued from February 1943.

STATEMENT 97

MOVEMENTS IN CIRCULATION OF INDIA SMALL COIN (METAL-WISE)

ABSORPTION (+) OR RETURN (—)

(Lakhs of Rupees)

	1950-51	1951-52	1952-53	1953-54	1954-55	1955-56
I. Quaternary Silver						
8 annas	—1,51	—1,23	—1,64	—1,31	—1,22	— 61
4 annas	—1,34	— 99	—1,33	—1,07	— 97	— 48
Total Quaternary Silver Coin ..	—2,85	—2,22	—2,97	—2,38	—2,19	—1,09
II. Pure Nickel						
8 annas	+ 50	+ 17	+ 13	+ 15	+ 66	+ 96
4 annas	+ 41	+ 19	+ 35	+ 29	+ 68	+1,09
Total Pure Nickel Coin ..	+ 91	+ 36	+ 48	+ 44	+1,34	+2,05
III. Nickel-Alloy*						
4 annas	— 4	— 4	— 4	— 1	— 1	— 2
2 annas	— 60	— 62	— 76	— 56	— 15	+ 12
1 anna	— 66	— 63	— 75	— 60	— 16	+ 24
½ anna	— 4	— 2	— 10	— 5	— 1	+ 17
Total Nickel-Alloy Coin ..	—1,34	—1,31	—1,65	—1,22	— 33	+ 41
Total Nickel Coin (II+III)	— 43	— 95	—1,17	— 78	+1,01	+2,46
IV. Copper**						
Single Pice	+ 8	+ 11	+ 6	+ 1	+ 5	+ 10
Half Pice	—	—	—	—	—	—
Pie Pieces	—	—	—	—	—	—
Total Copper Coin ..	+ 8	+ 11	+ 6	+ 1	+ 5	+ 10
V. Total Small Coin† ..	—3,20	—3,05	—4,09	—3,17	—1,14	+1,47

* Cupro-nickel and nickel-brass coins. ** Including bronze coins.

† Including negligible amounts of Standard Silver small coins returned from circulation.

STATEMENT 98

MOVEMENTS IN CIRCULATION OF INDIA SMALL COIN (CIRCLE-WISE)

ABSORPTION (+) OR RETURN (—)

(Thousands of Rupees)

	Bombay	Calcutta	Delhi	Kanpur	Madras	Total
1950-51 ..	—32,43	—1,51,36	—22,78	—1,14,13	+ 91	**—3,19,79**
1951-52 ..	—16,89	—1,79,93	— 8,77	—90,07	— 9,66	**—3,05,32**
1952-53 ..	+ 23,96	—2,15,28	— 9,84	—1,51,58	—56,66	**—4,09,40**
1953-54 ..	—32,01	—93,07	—10,22	—1,19,91	—61,41	**—3,16,62**
1954-55 ..	+ 9,92	— 29,00	+ 25	— 86,81	— 8,38	**—1,14,02**
1955-56 ..	+94,03	+25,84	+ 2,53	— 11,14	+35,28	**+1,46,54**

STATEMENT 99

LOST, DESTROYED AND MUTILATED NOTES, 1955-56

	No. of claims admitted	No. of pieces	Amount of claims admitted Rs.	Amount paid against claims Rs.
Lost or wholly destroyed notes ..	893	1,462	1,46,200	1,06,300*
Half notes	1,054	1,972	1,98,050	84,200
Mutilated Notes:—				
Registered (Denominations of Rs. 20 to Rs. 100)	8,518**	20,819	21,56,050	20,18,750
Unregistered (Denominations of Re. 1 to Rs. 10)	76,214**	4,15,522	25,93,979	26,47,892
Government of India one rupee notes		3,07,770	3,07,770	

*Includes amount paid during 1955-56 in respect of claims admitted in previous years.

**Excludes figures for soiled notes in respect of the Bombay circle.

STATEMENT 100

NOTE FORGERIES

Year	Re. 1 (Government of India Notes)	Rs. 2	Rs. 5	Rs. 10	Rs. 100	Total Number	Total Value Rs.
1950-51	2,400	84	1,676	2,783	182	7,125	56,978
1951-52	3,334	35	1,669	1,901	148	7,087	45,559
1952-53	4,257	74	966	1,060	238	6,595	43,636
1953-54	6,250	63	1,071	1,603	46	9,033	32,361
1954-55	6,785	838	1,625	1,785	2,177	13,210	2,52,136
1955-56	6,136	152	813	2,220	175	9,496	50,205

STATEMENT 101

PROSECUTIONS ON ACCOUNT OF NOTE FORGERIES

Year	Fresh Prosecutions	Pending at the end of the previous year	Total Trials	Discharges	Convictions	Pending
1950-51	48	43	91	38	28	25
1951-52	36	25	61	19	23	19
1952-53	39	19	58	17	12	29
1953-54	16	29	45	13	8	24
1954-55	31	24	55	10	18	27
1955-56	43	27	70	14	12	44

STATEMENT 102

MINTAGE OF INDIA RUPEES AND SMALL COIN

(Lakhs of Rupees)

	Bombay Mint		Alipore Mint		Total Coined		Grand Total
	Whole Rupees*	Small Coin	Whole Rupees*	Small Coin	Whole Rupees* (1+3)	Small Coin (2+4)	(5+6)
	1	2	3	4	5	6	7
1950-51	2,80	1,08	—	5**	2,80	1,12	3,92
1951-52	—	1,38	—	61†	—	1,99	1,99
1952-53	—	21	—	18	—	39	39
1953-54	—	35	—	20	—	55	55
1954-55	6	48††	—	2,10	6	2,58	2,63
1955-56	—	5††	—	2,55	—	2,60	2,60

Note.—From July 1951, the old Calcutta Mint was closed for coinage with the opening of the new Mint at Alipore (Calcutta).

* Nickel rupees. ** Minted at the old Calcutta Mint.

† Including coins of the value of Rs. 13,000 minted at the old Calcutta Mint.

†† Including coins minted at the India Government Mint, Hyderabad (Dn.), the value of these being Rs. 31,950 in 1954-55 and Rs. 1,100 in 1955-56.

STATEMENT 103

MINTAGE OF INDIA COINS BY DENOMINATIONS, 1955-56

Denomination	Bombay Mint		Alipore Mint		Total	
	Rs.	as.	Rs.	as.	Rs.	as.
Nickel Rupees	—		—		—	
„ Half Rupees	1,00,000	0	1,28,88,000	0	1,29,88,000	0
„ Quarter Rupees	—		1,23,42,000	0	1,23,42,000	0
Cupro-nickel Two annas	—		—		—	
„ One anna	1,76,000	0	—		1,76,000	0
„ Half anna	1,41,500	0	2,25,500	0	3,67,000	0
Bronze Single Pice	1,30,500*	0	15	6	1,30,515	6
Total	5,48,000	0	2,54,55,515	6	2,60,03,515	6

* Including coins of the value of Rs. 1,100 minted at the India Government Mint, Hyderabad (Dn.).

STATEMENT 104

DESCRIPTION OF COINS IN ACTIVE CIRCULATION AT THE END OF MARCH 1956

Denomination	Gross Weight (Grains)	Composition (Proportion of Metals)	Diameter		Edge	Remarks
Quaternary Alloy Rupee	.. 180	Silver 50 per cent and rest base metal	1.2″	,,	Milled and security edged	
,, ,, Half Rupee	.. 90	,,	0.95″	,,	,,	
,, ,, Quarter Rupee	.. 45	,,	0.75″	,,	,,	
Pure Nickel Rupee†	.. 180	Nickel 100 per cent	1.1″	,,	,,	
,, ,, Half Rupee†	.. 90	,,	0.95″	,,	Milled	
,, ,, Quarter Rupee†	.. 45	,,	0.75″	,,	,,	
Cupro-Nickel Four anna	.. 105	75 per cent Copper and 25 per cent Nickel	0.925″ 1.000″	Across Flats ,, Corners	Plain	Scalloped Coin
,, ,, Two anna†	.. 90	,,	0.88″ 1.00″	,, Flats ,, Corners	,,	Square Coin with round corners
,, ,, Two anna (George V)†	.. 90	,,	0.827″ 1.000″	,, Flats ,, Corners	,,	Square Coin with round corners
,, ,, One anna†	.. 60	,,	0.827″ 0.7795″	Maximum Minimum	,,	Scalloped Coin
,, ,, Half anna†	.. 45	,,	0.778″ 0.684″	Across Diagonal ,, Sides	,,	Square Coin with round corners
Nickel-Brass Two anna	.. 90	79 per cent Copper, 1 per cent Nickel and 20 per cent Zinc	Same as Cupro-Nickel Coins above		,,	Same as Cupro-Nickel Coins above
,, ,, One anna	.. 60	,,				
,, ,, Half anna	.. 45	,,				
Copper Single Pice	.. 100	100 per cent Copper	1.00″	Round Coin	,,	
,, Half Pice	.. 50	,,	0.84″	,,	,,	
,, Pie Pieces	.. 33.3	,,	0.68″	,,	,,	
Bronze* Single Pice	.. 75	97 per cent Copper, 2½ per cent Zinc and ½ per cent Tin	1.00″	,,	,,	
,, ,, ,,	.. 30	,,	0.84″	,,	(with a circular hole)	
,, ,, ,,	.. 60	,,	0.84″	,,	Plain	
,, ,, ,,†	.. 45	,,	0.84″	,,	,,	
,, Half Pice	.. [illegible]	,,	0.84″	,,	,,	
,, Pie Pieces	.. [illegible]	,,	0.68″	,,	,,	

† These coins are being currently issued; the issue of the remaining coins has been discontinued.

* The alloy for bronze coin had to be changed during the period of war due to the scarcity of tin. The proportion of this alloy upto February 1936 was 95 per cent copper, 4 per cent tin and 1 per cent zinc; from February 1936 to end of 1942, it was 95.5 per cent copper, 3 per cent tin and 1.5 per cent zinc; from 1943 to date, it is in the proportion of copper 97 per cent, tin 0.5 per cent and zinc 2.5 per cent.

STATEMENT 105

WITHDRAWAL OF SILVER, CUPRO-NICKEL AND COPPER COINS, 1955-56

	Rs.	as.	ps.
I. Uncurrent Coin			
Silver Rupees			
Standard Silver Rupees	2,121	0	0
Defective Quaternary Rupees	21,250	0	0
Other uncurrent coin (shroff marked, soldered, etc.)	20,700	0	0
Total Silver Coin	**44,071**	**0**	**0**
Cupro-nickel* Eight Anna	1,50,004	8	0
Copper Double Pice	96	8	0
Total of Uncurrent Coin	**1,94,172**	**0**	**0**
II. Badly worn and defaced Coins			
Nickel and Nickel-Alloy Coins			
Nickel Rupees	4,78,925	0	0
Cupro-nickel* -/4/- pieces	4,52,907	0	0
Cupro-nickel † -/2/- ,,	49,75,762	6	0
Cupro-nickel † -/1/- ,,	36,29,245	1	0
Cupro-nickel † -/½/- ,,	7,24,879	7	0
Copper and Bronze Coins			
Single Pice	7,05,630	0	6
Half Pice	1,636	4	3
Pie Pieces	138	1	9
Total of Badly worn and defaced Coins	**1,09,69,123**	**4**	**6**

* Including worn-out pure nickel coins.

† Including nickel-brass coins.

STATEMENT 106

NUMBER OF COUNTERFEIT COINS CUT AT TREASURIES AND RAILWAY STATIONS

	1950-51	1951-52	1952-53	1953-54	1954-55	1955-56
Silver Coins						
Rupees	9,200	12,176	9,658	8,575	6,826	**5,056**
Half Rupees	8,252	7,248	6,279	7,620	4,907	**4,214**
Quarter Rupees	13,642	9,615	8,382	9,540	5,628	**4,871**
Eighth Rupees	4	16	18	15	2	—
Total	**31,098**	**29,055**	**24,337**	**25,750**	**17,363**	**14,141**
Nickel Coins						
Rupees	4,429	6,317	4,841	5,535	3,340	3,637
Half Rupees	12,886	8,686	8,103	8,784	6,559	5,438
Quarter Rupees	23,073	13,956	12,942	10,482	7,609	[illegible]010
Two Annas	1,70,327	1,29,644	1,56,190	1,12,915	94,923	1,24,845
One Anna	23,820	13,420	22,126	18,794	8,747	8,430
Half Anna	1,771	967	2,000	1,175	2,071	1,158
Total	**2,36,306**	**1,72,990**	**2,06,202**	**1,57,685**	**1,23,249**	**1,51,518**

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